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Yazov Rejects U.S. Press Reports on Missiles

AU3007074191 Bratislava PRAVDA in Slovak 26 Jul 91 p 14

[Report on interview with Marshal Dmitriy Yazov, USSR minister of defense, to IAN parliamentary correspondent V. Ostrovskiy; place and date not given: "Who Is Looking for Sensations?"]

[Text] The Soviet SS-23 missiles were delivered to the USSR's then allies—Bulgaria, Czechoslovakia, and the GDR—three to four years before the start of talks on the elimination of intermediate-range missiles, Marshal Dmitriy Yazov, USSR minister of defense, told the parliamentary correspondent of the IAN agency.

D. Yazov stressed that the fabricated accusations of a supposedly illegal transaction and, above all, a Soviet violation of the treaty, which have been raised mainly by the newspaper THE WASHINGTON POST, are at odds with the reality. He drew attention to the fact that it happened only a few days prior to U.S. President George Bush's visit to the USSR that "someone" accused the Soviet Union of dishonesty.

He pointed out that the American press, apparently in a quest for sensations, reported that these missiles "must have been fitted with Soviet nuclear warheads after the treaty was signed." The authors of this lie did not even bother to consider the fact that the USSR strictly abides by the nuclear arms nonproliferation treaty and therefore could not, nor did it ever attempt, to offer nuclear weapons to other states.

Marshal Yazov said that the missiles in question belong to the above-mentioned governments and have no bearing on the Soviet-American treaty. The accusations leveled at the Soviet side are unfounded and can only be regretted.

START Will Normalize World Situation

LD2907173291 Moscow TASS in English 1654 GMT 29 Jul 91

[By Oleg Moskovskiy]

[Text] Moscow July 29 TASS— "A treaty on strategic offensive weapons (START), which is expected to be signed by Soviet and U.S. Presidents in Moscow on July 31, will considerably lower the level of nuclear confrontation between the Soviet Union and the United States and promote strategic stability, while reducing a possibility of a nuclear conflict," Bronislav Omelichev, first deputy chief of the general staff of the Soviet Armed Forces, told TASS today.

He said the signing of the treaty will normalise the military and political situation in Europe and the world.

Omelichev recalled that negotiations on strategic offensive weapons have been held since March 12, 1985 within the framework of the talks on nuclear and space armaments. "A summit meeting in Geneva between November 19-21, 1985 helped reach an agreement on radical reductions of strategic offensive weapons," Omelichev said.

He said a draft treaty envisages reductions and limitations of intercontinental ballistic missiles and their launchers, submarine-launched ballistic missiles and their launchers, as well as heavy bombers and their nuclear armaments.

These weapons should be reduced in three phases within seven years after the treaty comes into force.

By the end of the seven-year period and after it, each side should have not more than 1,600 intercontinental ballistic missiles, submarine-launched ballistic missiles and their launchers, as well as deployed heavy bombers and 6,000 military loads for deployed intercontinental ballistic missiles, submarine-launched ballistic missiles and heavy bombers.

The treaty also envisages a number of qualitative limitations of strategic offensive weapons, including specific bans on certain categories of strategic offensive weapons, types of deployment and activity.

"The signing of the treaty will provide a good basis for further efforts by the Soviet Union and the United States and other nuclear states to reduce nuclear confrontation," Omelichev said.

Gorbachev Interview on London Meeting

AU2707155091 Sofia OTECHESTVEN VESTNIK in Bulgarian 23 Jul 91 p 1

[Interview with USSR President Mikhail Gorbachev by Vladimir Markov of NOVOSTI PRESS AGENCY "specially for OTECHESTVEN VESTNIK," in Moscow "after the president's return from London"; date not given: "Moscow and the 'Seven' Move Toward One Another"]

[Text] [Markov] What are your feelings upon returning home?

[Gorbachev] I think that the maximum that could be achieved at the meeting with the 'seven' in London was to coordinate our political positions, and this was done. We launched a new, far-reaching process that is full of promise. Everything else will be decided within the framework of these coordinated positions. What we do now will be of crucial importance.

[Markov] In your opinion, what are the priority tasks following the London meeting?

[Gorbachev] First, to continue the reforms in our country. This is the most important thing, without which there will be no further consolidation and expansion of the possibilities for cooperation with the West, nor can the agreements that were discussed in London be realized. Second, the developed Western states must complete their part of the bargain by removing the barriers that hinder this cooperation.

[Markov] How will your dialogue with the 'seven' in London affect the internal processes in the Soviet Union?

[Gorbachev] I believe that our people will react with satisfaction. We Soviet people now face extremely complex and responsible tasks, one may even say tasks of a kind that the present generations have not resolved. We have begun to carry them out, and we have no other choice.

[Markov] The next meeting of the 'seven' will take place in Munich in one year. In your opinion, what will happen at that meeting?

[Gorbachev] It seems to me that now they will all consider how to carry out many important and beneficial things this year, to build the foundations of a new type of economic relations. I am convinced that this will also affect the dialogue and the search for solutions to political issues and problems of security. Economics is a serious matter, and economic relations of this type will also strengthen mutual security and predictability in politics. This is what we need. The 'seven' have formed a good attitude toward us—a desire to move toward one another, to cooperate, and to advance together.

Political Significance of G-7 Assessed

91UF1012A Moscow RABOCHAYA TRIBUNA in Russian 24 Jul 91 p 5

[By Igor Titov: "No One Will Give Us Salvation: More on the Results of the 'Seven Plus One' Meeting"]

[Text] Although information on the position of the seven in respect to assistance to the USSR continues to come in, the results of the 'seven plus one' meeting may be summed up already.

An apt description thereof was given by V. Shcherbakov, first deputy prime minister of the USSR. "They have exceeded all our expectations," he said in an interview with our London correspondent. How are we to take such an evaluation? We have not, after all, been given checks for "X" billion dollars and have not been promised an inundation of our market with imported consumer goods. What is meant? In my view, he means the very important political significance of the meeting.

Hitherto no step by the USSR in the field of detente had been taken by the world in good faith—put down one, carry two, as they say. For example, they withdrew forces from Afghanistan, a forced measure; they have reduced their armed forces, they have switched to modernization.

The Persian Gulf was a boundary line. The choice which our country made really melted the ice of the "cold war" for the first time. By our vote in the United Nations we laid a bridge toward M. Gorbachev's meeting with the seven. The Persian Gulf began and the London summit concluded the transition from the era of global confrontation to an era of cooperation.

The present meeting of the seven is the second step (following the world community's reaction to the crisis in the Persian Gulf) toward the establishment of an all-embracing just international order. It is exceptionally important that we craft it also together with the West.

But let us not become intoxicated with self-appraisal. We recognize that as far as the economic aspects of the meeting are concerned, the results fall somewhat short of the raft of expectations.

Why? The world press pipes a single tune: The president of the USSR did not bring to London a sufficiently profound plan of reforms. Some people put it more straightforwardly: The Western countries want to exercise verification and control of the transformations in the USSR, whereas the Soviet side is insisting on equality and noninterference in its internal affairs. So, the results: No one, naturally, will give us money without tough conditions, but, on the other hand, it would be unbecoming for us also to have each step of ours stamped by Western "sponsors."

Now let us look at the problem in somewhat simpler fashion. What is the West's interest, on what does its financial indulgence depend? First and foremost, assurances that actions of the Afghan type will not recur and

that political mechanisms precluding the possibility of the uncontrolled growth of the military machine will be created in our country. Second, confidence that financial and economic assistance will not be "cast to the winds." And, third, the assurance in the USSR of democratic rights and liberties.

I will distinguish a few further aspects which restrained the seven from immediately enfolding the USSR in the embrace of economic assistance. They reasonably believe that we alone are capable of solving our problems. A child must learn to walk by itself—that is obvious. It may be supported, but it learns to move independently. Until we have created an efficient system of management and distribution in the country, outside injections will not help us. It is distressing to hear, but the question of competence was a wrench in the works. Experts of the IMF, the World Bank, and the European Bank for Reconstruction and Development who came to Moscow for consultations on the eve of the London meeting were, according to reports of the French newspaper LE MONDE, shocked by the low professional level of those they spoke with—presidential advisers and representatives of ministries and banks, who were unable to intelligibly explain what they wanted from the West.

The seven emphasized two further problems: the need for a reallocation of the Soviet Union's resources from military to civilian purposes and the importance of a solution of the territorial problem between the USSR and Japan. The latter was formulated in the political and economic declarations in somewhat muffled tones: The seven expressed the hope that the "new thinking" and the spirit of international cooperation would be demonstrated worldwide—not just in Europe but in Asia also. In his statement J. Major, chairman of the London meeting, called things by their name. He noted the importance of a "normalization of Japanese-Soviet relations, including a solution of the northern territories question."

In order not to dramatize the situation Japan embarked immediately following the summit on the detailed elaboration of a plan of technical, intellectual, and even financial assistance to the USSR. In response it expects reciprocal steps on the Kurils problem. If such are forthcoming, it will go further; if not, it will backtrack. That is the picture. Let us hope that further Soviet-American and Soviet-Japanese meetings add new colors to it.

Polls Reflect Attitudes on G-7, SFRY

OW2607081491 Moscow INTERFAX in English 1800 GMT 25 Jul 91

[From the "Viewpoint" feature; transmitted via KYODO]

[Text]

The Majority Sure About the Success of the London Meet

According to Data agency, between July 7 and 17 the National Public Opinion Studies Center interviewed 1,966 persons according to representative lists in Russia, the Ukraine and Central Asia to find out their opinion of President Gorbachev's London meeting with the leaders of the Group of Seven.

37 Percent were confident about the success of the president. 26 percent answered in the negative to the question whether Mikhail Gorbachev would succeed at the London meet. 37 percent failed to make their forecast.

The permissible error was 3 percent.

Attitude to Developments in Yugoslavia

During the same poll the interviewed expressed their attitude to the use of the army in Yugoslavia.

The attitude of 41 percent was negative.

8 percent spoke positively of army actions.

19 percent knew nothing about the use of armed force in Yugoslavia.

32 percent were uncertain.

The permissible error was 3 percent.

Effects of Exit-Entry Law on Human Rights

91UF1009A Moscow PRAVITELSTVENNYY VESTNIK in Russian No 23, Jun 91 p 10

[Interview with F. Burlatskiy, chairman of the USSR Supreme Soviet International Affairs Committee Humanitarian, Cultural, and Scientific Relations Subcommittee, by correspondent Yu. Popov, on the enactment of the USSR law "Procedure for the Exit From the USSR and Entry Into the USSR of USSR Citizens": "The Doors Have Now Been Opened Slightly: In the Future Everyone Will Have an Opportunity to Unrestricted Travel Overseas"]

[Text] [Popov] Fedor Mikhaylovich, the enactment of the exit and entry law was an event not only for us but the entire world community also. What, in your view, determines the significance of this document?

[Burlatskiy] This is, I believe, virtually the most important law enacted in the past six years. This applies to its political, international-legal and humanitarian significance. Why? In brief, it signifies the start of the formation of an open society in our country. If it is compared with other documents in the human rights sphere, freedom of worship and the press or the activity of public organizations, I would give preference to the exit and entry law. Of course, all laws concerning our rights are important. Nonetheless, the law on the press, for example, concerns the interests more of the elite, I would

say, than of ordinary people, predominantly of journalists, writers, figures of culture and other such strata of the population. The new law, on the other hand, is important for all. Now everyone will have an opportunity in the form which suits him, not immediately, perhaps, but in the future, for unrestricted travel overseas. Having obtained a passport, he will acquire the right to travel abroad without seeking anyone's permission and to go to any country for any reason. Of course, this applies not only to emigres but primarily to the millions and millions of those who make a trip for a certain length of time on private and public business.

[Popov] But what will this do for Soviet man and our society?

[Burlatskiy] As far as the individual is concerned, it is not hard to understand the benefit of free movement. Take the ordinary worker, who was invoked by many people during discussion of the draft presenting themselves as representatives of the working class in the USSR Supreme Soviet. There is currently in Europe and other countries an immense manpower market. Inhabitants of Turkey, Yugoslavia, China and certain other countries are leaving for overseas and earning there from $3-5 billion a year.

In 10-15 years Yugoslav workers have earned approximately $10 billion. Some 150,000-200,000 persons have left the country. Those working outside of Yugoslavia have not only availed themselves of the fruits of their labor but have benefited all of society also. Their money has been transferred to Yugoslav banks and has strengthened the state's currency position. Largely thanks to this, Yugoslavia was able to make the dinar a convertible currency without any particular difficulty.

Yugoslav citizens have, in addition, acquired experience and, frequently, new skills and, at times, a specialty. Whatever may be said, it is a fact that we lag behind many other countries considerably in respect to the professionalism of our engineers, workers and, to be frank, the scientists themselves. If they are allowed to plunge into the foreign labor and scientific world, they will without any doubt also bring home valuable experience, the experience of professional efficiency included.

Many people here are writing about market relations, incidentally. But let us look the truth in the eye: Very few people really understand its mechanism properly, and the vast majority has an inadequate idea of it and is engaging in idle talk about enterprise, privatization and other market attributes—these are frequently those same scientists who yesterday even were expending all their energies on proving the advantages of the planned economy. Our business people are still a far cry from real managers. After all, it is not enough to call oneself an entrepreneur, this has to be learned, and learned in earnest: It would be a good thing to go overseas and "feel out" the business environment with one's own hands. No one will bring us ready-made experience if we do not embark on a study of it ourselves. So people's trips will be an important channel of communication with the outside world useful both for the individual and for society as a whole.

And, finally, we will be able to look for a considerable contribution from progressive foreign states to the development of the economy and technology, specifically, for investments. U.S. President G. Bush recently proposed to grant the USSR $1.5 billion in credit for grain and food purchases. G. Bush's opponents immediately raised the question of the Jackson-Vanik Amendment fettering by particular conditions the granting of most-favored-nation status to the Soviet Union. They are linking its cancellation with the enactment of the exit and entry law.

If we become an open society and the developed states are persuaded of this, the flow of investments and the injection of foreign capital in our economy will show exceptional growth. Some people are afraid of this and say that we will be colonized. But there are no telling grounds for such fears; look at the United States for example. By the same logic it was "colonized" long since by Japan: every home has Japanese computers, tape recorders and, frequently, automobiles. But is this colonization? This is a normal occurrence of modern economic life.

It should be emphasized also that the law will remove the barriers in the way of communication of cultures, too. The latter may develop only on a basis of reciprocity. Given all our troubles, our crisis and our economic lag, Russian culture remains great. The musicians, scientists and writers who go to the West propagandize our culture as the exponents of that culture. And simultaneously familiarize themselves there with the achievements of modern world cultural life. One of our misfortunes is that national culture is in many respects not modern, and the imitation of the West in certain types of art leaves a dispiriting impression. Live relations with the West and the East will help us approach contemporary standards.

I entertain no doubt that closer human contacts with other countries will exert a salutory influence on the shaping of modern man, who may be distinguished by a particular set of attributes. He is characterized not simply by the fact that he has an opportunity to eat and drink well and knows how to work well. He should, further, know how to drive well, know the computer and be able to work with it, visit other countries and get to know other civilizations and cultures, familiarize himself with the Paris Louvre, the Madrid Prado, the British National Gallery, the American Metropolitan. He should "run his hand over" the Japanese phenomenon and see Africa with its problems. Only in this case may he be considered a man of the 18th or 19th and 20th centuries. But many of us, unfortunately, are still living in past centuries and know only one way of life. And even the cultured among us are frequently acquainted with the outside world only by hearsay.

[Popov] But what about the "brain drain?" Will we not suffer from this?

[Burlatskiy] The question of the "flight of brains" overseas was whipped up in the course of preparation of the law. I shall be letting out no great secret if I say that a memorandum addressed to the leadership was prepared on this problem, which maintained that within a short space of time 8 million of the best workers—engineers, scientists, production engineers, doctors, figures of culture and others—would leave us. And this did, of course, make an impression: with whom to effect perestroyka if the most literate part of society is overseas?

The Humanitarian, Cultural and Scientific Relations Subcommittee, which drew up the law over a period of two years, commissioned a special sociological study. And this is what was ascertained. The number of emigres in this category had stabilized and would not grow, constituting approximately half a million a year.

And who are leaving altogether? Chiefly, representatives of the nationalities which have an overseas diaspora: Jews, Germans and, to some extent, Armenians, which is enabling us under the new conditions to adapt less painfully. And a large part of them have, what is more, nothing to do with brains which are of great value to us: I cannot call to mind among them a single important scientist—an academician.

Of course, it may regretfully be said that some professors have moved to the West, and some great artists, like Rostropovich, have left. But it should not be forgotten that this happened at a time when people were confronted with a tough choice: either you left and remained there forever or were deprived for all time of the right to travel overseas. But as soon as everyone is sure that he may at any moment leave for two or three years, work some and then return, there is hardly anyone who will want to remain an emigre.

It is generally very difficult for people of Russian culture to tear themselves away from their homeland, for adults particularly. I therefore believe in what happened in old Russia and in the first years of Soviet power: The most important scientists like Vernadskiy, Kapitsa, Bardin, Semenov and others worked and taught abroad and then returned and became the founders of the most important scientific schools.

We would recall that after World War II the British also were encountering a dilemma: many of this country's best minds had made for the United States. And the result? Nothing dreadful happened, the vast majority of the British returned home. There was a communicating vessels phenomenon. Having worked at Berkeley or Harvard University, the Briton would return to Oxford or Cambridge. The American scholar, on the other hand, who had delivered lectures at Cambridge, then went back to the United States. This is an absolutely natural phenomenon. We cannot continue to constitute an exception: Either we become in all respects a part of Europe or we continue to live in isolation.

Of course, there would in the initial period be the danger of a "brain drain," for all that, and it cannot be disregarded. But subsequently the situation would even out, and our scientific and technical potential would be enriched as a result.

[Popov] Consequences of the enactment of the law are feared not only with us, misgivings are being expressed by overseas representatives also: What if a stream of Soviet people surges across the borders?

[Burlatskiy] I do not believe that there is a danger of a third wave of Russian emigration and that we might capture all the manpower markets in Europe, primarily because we will not be allowed to do so. Even now many European states are drawing up laws restricting entry for temporary work to people coming from East Europe and, consequently, the Soviet Union.

But this is one aspect. Another aspect is the interest of enterprises and businessmen in cheap manpower. More than 20,000 Soviet workers are working virtually without official permission, even in Poland. There are many of them in Finland, and they have penetrated Greece and other countries. They are frequently paid noticeably less than those coming from Turkey and Yugoslavia. But people are agreeing to this: 300 rubles of ours at the market rate amounts to only $10. But overseas our compatriot obtains, for example, $500 a month. And although he does not live under the best conditions, trying to put something together for his family, he still agrees to this.

True, this question will be regulated, first, by the legislation of each host country, and the doors will not be opened wide. Second, by an agreement between the USSR and each state.

[Popov] Although having arrived, the exit and entry law has not begun to live a full-blooded life—it is set to take effect by January 1993. What is the explanation for this?

[Burlatskiy] This is not entirely correct. The point is that when discussion of the law was approaching a conclusion, we succeeded in adopting a very important formula concerning the staged introduction of its articles. What does this mean? Many of its articles will begin to work immediately, during the present session of the USSR Supreme Soviet. Further, the old sets of instructions and directives, which restricted exit and entry, are being abolished. Of course, although the door to overseas travel is not being opened fully right away, it is being opened noticeably.

The law truly was very long in development, and this was connected with several factors. The main one was the resistance of the bureaucracy, I shall touch merely on the motives: One of them was that overseas travel was a privilege. This is why the bureaucracy was instinctively reluctant to share this privilege and make small change of it, as a result of which any Soviet individual might visit other states and get to know the world.

And, finally, a considerable part was played by the traditional mentality of the people: We have all believed throughout Soviet history that foreign countries should be under lock and key and that our society should be protected, that is, fenced off, from all of the modern world because of its uniqueness and the hostility of our surroundings toward us. This belief came down to us from Russian history: We have always feared foreigners. Because, perhaps, they have very often come to us not in peace but with war, both from the West and from the East. Perhaps also for the added reason that Russia laid claim to the creation of its own particular civilization distinct from both West and East.

There is also another objective set of circumstances holding back the appearance of the law. These are financial and material guarantees of its realization. Referring to our difficulties, many people, people's deputies of the USSR included, have asked: "What do we need this for, given our poverty?"

No doubt, the design of the passport and the work of consular services, border posts, and so forth will require considerable government expenditure. But, as R. Kuznetsov, head of the Visa and Registration Administration, explained, were a passport to cost R1,000 (for life!), the proceeds from the sale thereof would recoup several times over all the requisite expenditure. There are attendant costs: more aircraft, railroad cars, motor vehicles and so forth will be needed. But, after all, this desire is connected with the development of our economy as a whole, not with the enactment of the law.

Summing up, I would say that the law that has been enacted is on a par with modern international standards. It corresponds to the 1948 Universal Declaration of Human Rights, the Helsinki agreement, and the results of the Paris meeting. Three most important laws in the sphere of human rights have been enacted in our country in a short space of time: on freedom of the press and freedom of worship, on public organizations and, now, on freedom of movement. All this is appreciated by the international community.

Black Sea Countries Move Toward Cooperation

PM3007095791 Moscow SOVETSKAYA ROSSIYA in Russian 26 Jul 91 Single Edition p 5

[By S. Biryulev: "Black Sea Cooperation"]

[Text] A routine meeting of the deputy foreign ministers of Bulgaria, Greece, Romania, the USSR, Turkey, and Yugoslavia has been held in the Moscow area; it completed work on elaborating the text of a draft intergovernmental document defining the goals, principles, and framework of Black Sea economic cooperation, and also specific spheres of collaboration between the interested countries. The participants in the meeting agreed to report to their governments about the results of the work performed and, if these are ratified, to lay down the timetable and procedure for signing the document. Turkey, which put forward the idea of this cooperation, suggested hosting the signing ceremony.

A result of this work should be the creation of organizational structures to pool the efforts of the countries of the Black Sea basin in the spheres of transport and communications, information technology, extractive industry, tourism, agriculture, health, science and technology, and also environmental protection. The idea is to base the collaboration among countries on the principles of all-European cooperation.

Foreign Ships Permitted To Sail Arctic Waters

LD3007175791 Moscow TASS International Service in Russian 1012 GMT 30 Jul 91

[By Vasiliy Belousov]

[Excerpt] Murmansk, 30 Jul (TASS)—"The competent bodies of the USSR have permitted foreign vessels to sail in the Soviet Arctic zone from July 1991." [passage omitted]

United States & Canada

Summit Continues: Reportage on Pre-Summit Events

Shevardnadze Meets Baker, Views START

OW3107010691 Moscow INTERFAX in English 1200 GMT 30 Jul 91

[Following item transmitted via KYODO]

[Text] On Monday Eduard Shevardnadze received in his home the U.S. Secretary of State James Baker. Their informal conversation went on for about 4 hours. During it the two men exchanged views on problems they had worked on together previously.

"Relations between the USSR and the U.S. changed fundamentally, having turned into partnership", Eduard Shevardnadze told IF's [INTERFAX's] diplomatic correspondent Petr Vasiliev.

"We spoke about bilateral relations", he went on to say. "We focused on our domestic problems, since they worry the entire world now".

Concerning the START treaty which will be signed on the Moscow summit E. Shevardnadze said that "the main—the most difficult problems within the framework of that treaty were solved in the course of our negotiations with the State-Secretary and in the summits. The difficulties which are turned out later are artificial". According to Shevardnadze they arose because of "caprice of some our comrades".

The former minister gave an affirmative answer on the question weather [as received] the military men should be accused of: "Not all of them are guilty, but in principle—yes. "Now they are convinced of our rightness," stressed Shevardnadze. [quotation marks as received]

"The following visits to Washington were of no results," he went on. "They achieved nothing and moreover they agreed and signed the less beneficial minutes for the Soviet Union".

Bessmertnykh Calls For Peace Conference

AU2907134291 Paris AFP in English 1319 GMT 29 Jul 91

[Excerpt] Moscow, July 29 (AFP)—Soviet Foreign Minister Aleksandr Bessmertnykh called Monday for a Middle East peace conference to be convened before the end of the year and urged that preparatory talks start immediately. "I believe the peace conference should be convened before the end of the year because it is the best time," Mr. Bessmertnykh told reporters as he went into talks with U.S. Secretary of State James Baker. [passage omitted]

Physicians' Group Writes Bush, Gorbachev

LD3007195991 Moscow TASS in English 1201 GMT 30 Jul 91

[Text] Moscow July 30 TASS—On the eve of the Moscow summit, co-presidents of the International Physicians for the Prevention of Nuclear War (IPPNW), American Professor Bernard Lown and Soviet corresponding member of the Academy of Medical Sciences Sergey Kolesnikov sent a message to Mikhail Gorbachev and George Bush. The letter reflects the organisation's point of view on problems and prospects of nuclear disarmament in connection with the signing of the Strategic Arms Reduction Treaty (START).

"On behalf of the more than two hundred thousand physicians in seventy-six countries that comprise IPPNW, we aplaud the important step forward you are taking with start and urge you to take the additional steps necessary to ensure that START is truly the beginning of a process of nuclear disarmament," the message says.

"The START treaty you will sign in Moscow this week is a milestone in Soviet-American relations, and we congratulate you on its succesful completion," the co-presidents write in the letter. "We must also recognise that START reductions will leave awesome arsenals capable of destroying the planet."

"Accordingly, we urge you to use the Moscow summit to begin immediately new efforts to ban nuclear tests and to reduce further the size of your nuclear arsenals."

"Ultimately, the nuclear proliferation problem, acutely evident in Iraq, cannot be solved by military force." The message says, "a stronger nuclear non-proliferation regime, with increased controls on the spread of nuclear technology, is needed. You can do much to strengthen the NPT [nonproliferation treaty] by signing a test ban treaty."

First Day Commences With Meetings 30 July

Gorbachev, Bush Attend Luncheon

LD3007133491 Moscow TASS International Service in Russian 1034 GMT 30 Jul 91

[Excerpts] Moscow, 30 Jul (TASS)—The official welcoming ceremony for U.S. President George Bush, who arrived in the Soviet capital for an official visit yesterday, took place this morning in the St. George's Hall of the Grand Kremlin palace. [passage omitted]

Then the U.S. President presented to the Soviet leader the officials accompanying him on his trip to our country. M.S. Gorbachev presented to the U.S. President the Soviet officials who had come to the welcoming ceremony for the guest, in St. George's hall.

The leaders of the USSR and United States went into St. Catherine's Hall, where they had a one-to-one conversation. Then Soviet-U.S. talks in expanded complement took place. Among the participants on the Soviet side were N.A. Nazarbayev, V.S. Pavlov, A.A. Bessmertnykh, and D.T. Yazov; and on the U.S. side, J. Baker, B. Scowcroft, J. Sununu, and J. Matlock. The dialogue between the leaders of the two states was continued during a working luncheon of the USSR and U.S. presidents.

Yeltsin Absent From Kremlin Talks

LD3007123291 Moscow Radio Rossii Network in Russian 1100 GMT 30 Jul 91

[Report by correspondent Sergey Pustovoyt on 30 July Soviet-U.S. summit in the Kremlin]

[Text] The president of Russia will meet the U.S. President this afternoon [30 July]. At the Kremlin, where Prime Minister Pavlov, Foreign Minister Bessmertnykh, and Defense Minister Yazov, as well as Kazakh President Nazarbayev were in attendance, the Russian president's presence was also expected. However, journalists again had a surprise in store. Boris Yeltsin did not appear in the Kremlin Palace. Quite honestly I do not think that this was so very unexpected. After all, a month ago, the presidents of Russia and the United States agreed to pursue an independent foreign policy in relations between Russia and the United States.

Bush, Gorbachev Visit Artist

LD3007174491 Moscow TASS in English 1721 GMT 30 Jul 91

[By correspondent Galina Vinitskaya]

[Text] Moscow July 30 TASS—U.S. President George Bush and his Soviet counterpart Mikhail Gorbachev and their wives on Tuesday paid a visit to Soviet artist Zurab Tsereteli's studio in Tverskoy Boulevard in the centre of Moscow.

Tsereteli, broadly smiling, welcomed the guests into the studio filled with portraits, landscapes, still lifes, graphics and replicas of numerous monuments, including his sculpture "St. George destroying Pershing and SS-20 missiles" installed in front of the U.N. Headquarters in New York City.

Gorbachev says the sculpture symbolises new U.S.-Soviet relations and mark the beginning of real nuclear disarmament.

The guests were attracted by Tsereteli's monument devoted to the 500th anniversary of Columbus' discovery of America. The monument, 120 meters high and 80 meters in diameter, will be erected in the centre of New York City.

His sculpture devoted to the making of a new type of a human being, which symbolises the new thinking and mutual trust between people, will be installed in between stadiums in Atlanta, the venue of 1996 Olympic Games.

Tsereteli, 57, is widely known in other countries. His monuments, sculptures, paintings, stained-glass panels, and graphics are very individual and expressive. His mosaic panels decorate buildings in various Soviet cities.

Bush, Yeltsin Meet in Kremlin

LD3007140391 Moscow TASS International Service in Russian 1326 GMT 30 Jul 91

[By diplomatic correspondent Boris Zverev]

[Text] Moscow, 30 Jul (TASS)—U.S. President George Bush, who arrived in Moscow on an official visit last night, today met with Boris Yeltsin, president of the Russian Federation. The meeting took place in Boris Yeltsin's Kremlin residence.

This is now the second meeting between Boris Yeltsin and George Bush over the last few weeks. The first took place in June, when the Russian leader made a visit to the United States just a few days after the elections.

Yeltsin, Bush Talks Continue

OW3107051091 Moscow INTERFAX in English 1830 GMT 30 Jul 91

[Following item transmitted via KYODO]

[Text] Talks between the RSFSR President Boris Yeltsin and the U.S. President George Bush were held on Tuesday at the RSFSR presidential residence in the Kremlin.

The meeting lasted nearly an hour, the first 20 minutes (instead of the planned 10)—tete-a-tete. Welcoming the U.S. President, Boris Yeltsin noted this was the first occasion that Russia's President was receiving such a high-ranking foreign guest in the Kremlin.

Yeltsin told the journalists the main issues discussed were the situation in the Russian Federation and in the Soviet Union, also the delay with the Union Treaty.

Following up the dialogue in Washington during Yeltsin's official visit to the United States, the talk included questions linked with the implementation of some economic programmes for the Russian Federation: processing and storage of farm produce, conversion, training in the U.S. experts for market economy, and setting up joint transport companies.

Agreements have been drafted on some of the programmes, said Yeltsin with satisfaction thanking the U.S. President for speedy solution of the problems.

"We have agreed that after signing the Union treaty we'll set our bilateral understandings in the form of memoranda or agreements:, added Russia's President. "I am fully satisfied with our talks".

George Bush also expressed complete satisfaction with the talks, recalling Boris Yeltsin's visit to Washington as an important event in relations between Russia and the United States.

A participant of the talks—Moscow's Mayor Gavriil Popov—said George Bush showed much interest in solving the problems of relations between the centre and the republics. It was agreed that direct links between the republics and the United States, particularly between the Russian Federation and the United States, are part of the general picture of USSR-U.S. relations.

Meeting 'Highly Evaluated'

LD3007212991 Moscow Radio Rossii Network in Russian 1900 GMT 30 Jul 91

[Text] A meeting between Boris Yeltsin and George Bush has taken place in the Kremlin residence of the Russian president. They both have highly evaluated their conversation at the news conference that followed and it was declared that it is being envisaged that after signing the Union treaty relations between the two states will be legally registered. In practice, the dialogue which began in Washington during the official visit by Russia's president has continued and draft agreements on certain questions already exist.

Yeltsin, Bush Give News Conference

LD3007223191 Moscow Radio Rossii Network in Russian 2000 GMT 30 Jul 91

[Report by correspondent Sergey Pustovoyt on a news conference by Russian President Boris Yeltsin and U.S. President George Bush in Moscow on 30 July, including recorded excerpts]

[Text] [Pustovoyt] The problem of concluding a new Union treaty no longer worry Americans alone. Journalists asked Boris Yeltsin many questions on this topic. There were, in particular, questions about yesterday's night meeting between Gorbachev and Yeltsin. Here is how the president of Russia appraised it:

[Yeltsin] To begin with, Article Nine has been settled. Gorbachev has removed that line and what remains is practically the draft we proposed; a compromise draft, not the one that was in the treaty. Furthermore, all in all, there was a conversation on a macro-level—that is to say, on major strategic problems of this year, of 1992, of 1993—how to [word indistinct], what the (?structure) of presidential power will be, how we can quickly implement both the treaty and the reforms—I mean, what directions there will be. I mean, I would say that—let us say as far as I personally am concerned, following this conversation—a serious and very major, serious, and lengthy one, I began to be confident that at long last Gorbachev would stop vacillating, and that he really is geared now to irreversible reforms. The fact that he said this in London at the G-7 meeting is also a guarantee; it is also his commitment.

That is why we, the democratic forces, may now feel confident that he will not now let us down, as in January, Februray, or March, but will proceed along a democratic path of reforms. We will give him our support in keeping with that. I think that as far as the decree banning party activity is concerned, it seems to me that he will not have the decree repealed, for the sake of not destroying our mutual relations which, when all is said and done, have now reached a certain degree of stability.

[Unidentified correspondent] Was this discussed [words indistinct]?

[Yeltsin] Yes, it was. It is, of course necessary for the constitutional supervision committee to have its say, although I replied to the constitutional supervision committee that we cannot postpone, and have no legal basis at all to postpone, the beginning of the implementation of this decree, and it will come into force on 4 August. He promised that as soon as the signing of a Union treaty begins in August, he would sign a decree to the effect that on the territory of Russia and [words indistinct] of the Union [words indistinct] jurisdiction of Russia. It is of importance to us [words indistinct] this uncertainty, I mean, must be ended.

[Pustovoyt] Among the questions asked of the president of Russia was also this one: Is it true that the signing of a treaty with Lithuania was timed especially to coincide with the eve of Bush's arrival, to put Gorbachev in an awkward situation? Here is Boris Yeltsin's reply:

[Yeltsin] Now CNN even asked whether I signed the decree, the one banning party activity, on the eve of Bush's arrival. I say no. It was on the eve of the CPSU Central Committee plenum, when these reactionary forces were firing, so to speak, powerful salvos against Gorbachev, that I opened up the second front. They, correspondingly devoted many of their efforts to this second front, and he was somewhat weakened, so he (?should) simply say thank you, now, instead of now putting a brake on the implementation of this decree. So that is that.

With regard to what (?was achieved) with Landsbergis, this was a very pleasant coincidence. This was Very good because our views—the United States' and Russia's—coincide with regard to the republics. They must be given the opportunity to acquire independence, and even to secede from the Union. That is what is proposed. Unfortunately, President Gorbachev has a different opinion. Well, perhaps this will change after our discussions yesterday.

[Pustovoyt] After the 22 minutes of one-on-one talks, the meeting between the presidents of Russia and the United States continued with a wider participation. Only the members of Bush's and Yeltsin's teams were allowed into the hall. Journalists were not allowed into the hall. Therefore one can judge what happened behind closed doors only from what the presidents themselves related after the talks.

[Yeltsin] Of course they were short [words indistinct] with President Bush and his delegation. The main questions discussed at the meeting were on the position in the Russian Federation and in the country on the question of the Union treaty, on why there have been delays in signing the Union treaty, on the question of Article Nine on taxes, which only yesterday was agreed to. We then continued the dialogue that began in Washington, on implementing a number of programs in the Russian Federation. There are four main programs. These are the processing and preservation of agricultural produce, conversion, training and practical courses for personnel for the market economy, and the setting up of a joint transport company. We have already made progress, although only 28 days have passed (?since our meeting in Washington).

On several questions there is even a draft agreement, and I am grateful to Mr. President for providing impetus in such a speedy way to promoting our understandings. Apart from that, we agreed that after the Union treaty is signed we should, during that time, maintain links and stay in contact with the secretaries of commerce and the treasury, and so on. After that...[corrects himself] and agriculture, so as then to proceed to regularize our relations either in a memorandum or in an agreement between Russia and the United States of America. I am satisfied.

[Bush] So am I.

[Pustovoyt] President Bush added that he regarded the visit as a very important step in the development both of Russo-American and of Soviet-American relations. After the talks with Boris Yeltsin, George Bush visited the studio of the artist Tsereteli.

Tomorrow, the schedule for the U.S. President's visit to our country includes the signing of the treaty on the reduction of strategic offensive weapons between the United States and the USSR. The day after tomorrow, George Bush will visit Kiev, the capital of the Ukraine. But more of that later. Sergey Pustovoyt, Radio Rossii news service.

Bush Addresses Moscow Institute

LD3007153691 Moscow TASS in English 1504 GMT 30 Jul 91

[By diplomatic correspondents Lyudmila Aleksandrova and Aleksandr Mineyev]

[Text] Moscow July 30 TASS— The conference hall of the Soviet Foreign Ministry's Institute of International Relations this afternoon was the venue of the meeting between U.S. President George Bush and representatives of the Soviet public. The meeting brought together senior officials of Soviet foreign policy and foreign economic agencies, scholars, cultural personalities and students and faculty of the institute.

"This summit marks a new beginning: The prospect that we can put an end to a long era as adversaries," Bush said. According to Bush, "together, our two nations must overcome a half-century of mistrust—to seize this moment and build a lasting peace."

"During the past two years, President Gorbachev and I have made substantial progress in building this new relationship. Together, we have created new opportunities for arms control: last fall, in Paris, we agreed on landmark reductions in conventional forces stationed in Europe. Tomorrow, in the Kremlin, we will sign the historic START treaty—the first treaty that significantly reduces the most dangerous and destabilising nuclear forces," Bush said.

According to Bush, lower tensions have also made it possible for the two nations to normalise economic relations. "I am pleased to report today that this process of normalisation is now nearly completed," Bush said.

"As a consequence of this progress, when I return to Washington, I will submit to Congress the Soviet-U.S. trade agreement we signed one year ago. Then we can grant the Soviet Union most favoured nation trade status," Bush promised.

Bush thinks that the "Soviet Union should become a full participant in the global economy". He said the United States would support it in that effort.

"In every aspect of our relations—military, political, and economic—we see positive signs of a new partnership. But for all the progress we've made, obstacles remain," Bush said.

Among difficult issues Bush listed questions regarding the future of the Baltic states and the situation around Cuba. Bush said the United States posed no threat to Cuba. "Therefore, there is no need for the Soviet Union to funnel millions of dollars in military aid to Cuba," Bush said. Bush believes that it is time for the Soviet side "to reduce military spending".

In conclusion, Bush expressed the wish that this Moscow summit mark the beginning of an era of peace and partnership.

Speech Generates 'Tremendous Interest'

PM3107111791 Moscow PRAVDA in Russian 31 Jul 91 Second Edition pp 4, 5

[Report "based on reports from PRAVDA and TASS correspondents": "'Cold War' Clock Stops"]

[Text] It is now a good tradition for well known politicians to address the Moscow State Institute of International Relations. This is the first time, however, that the institute has had the honor of hosting such an eminent visitor as the U.S. President. The tremendous interest in G. Bush's impending speech was evident from the number of journalists gathered in the conference hall and also from the nature of the bulk of the audience present:

prominent statesmen and public figures, academics, people's deputies, lecturers, and students.

There was still some time left before the appearance of the White House head, so PRAVDA's correspondent put a number of questions to Ye.P. Velikhov, vice president of the USSR Academy of Sciences.

[PRAVDA] The presidents will sign the treaty on reductions in strategic offensive arms tomorrow. In your view, does this mark a qualitatively new phase in relations between our countries or is it a concession to the Americans, as some observers believe?

[Velikhov] The strategic offensive arms treaty is an inevitable step that has to be taken. Of course, because the document was prepared during the "cold war" period, it inevitably bears all the marks of that period. We must cover this stage as quickly as possible and take the next step: reducing warheads to 3,000-4,000, really reducing them, since there are still "holes" in the treaty. In theory, for instance, the United States can not reduce the number of nuclear charges to 6,000 but increase them to 11,000. In actual fact it will not do that—this is obvious from its budget and its plans. But we still need to ensure that the treaty does not contain these kind of "loopholes."

[PRAVDA] Does the mass media's publication of a list of installations on USSR territory that may be the targets of nuclear strikes not run counter to the spirit of this meeting?

[Velikhov] The next step presupposes radically revising the list of targets. That will create a real foundation for future relations. Incidentally, we have found ourselves in a unique situation because of our peoples' actions: The Soviet Union is unable to test nuclear warheads, while the United States is unable to modernize them because production of fissionable materials for them has been stopped. This situation should be considered a reality and enshrined by a corresponding agreement.

One final important point. The unilateral moratoriums on putting weapons into space and testing antispace systems remain at present. But the prevailing equilibrium is very fragile. It would be important to enshrine it in a treaty. The development of space technology has now reached the point where not only the USSR and the United States, but also many other countries can put a weapon into space. It is therefore time to contemplate an international agreement banning the placing of arms in space.

[PRAVDA] How would you briefly describe this Soviet-U.S. meeting?

[Velikhov] I think that this meeting will really do away with the "cold war." The strategic offensive arms agreement was, figuratively speaking, the last stumbling block we inherited from the "cold war." [Velikhov ends]

The hubbub in the hall gradually died down. Then came the laconic: "Ladies and Gentlemen, the President of the United States of America." George Bush walked to the podium in the center of the stage to the accompaniment of applause. Although his speech was short, the administration's head managed to cover the key elements in relations between our two countries.

"For 40 long years our two countries were absorbed in conflict, when the 'cold war' cast its shadow over an armed and troubled world," G. Bush said. "This summit meeting heralds a new beginning—the prospect that we can put an end to the long era of rivalry, write a new chapter in the history of our two states, and forge a new partnership and lasting peace.

"We have reasons to be hopeful. The harsh realities of the 'cold war' are melting away, disappearing one after the other, and a new world of favorable opportunities is urging us forward. In Europe, which was divided for 40 years as a result of East-West conflict, the states of Central Europe have now found a common home in conditions of democracy. Far beyond this continent—from Afghanistan to the Horn of Africa, from Angola to Central America—regional conflicts no longer threaten to become seats of superpower confrontation. Throughout the world the risk of global war is smaller today than at any stage in the postwar era.

"The task that we are tackling at this summit meeting—the task that you have to resolve as present and future leaders of this great country—is this: Pooling efforts, our two powers must overcome half a century of mistrust, take advantage of this moment, and build lasting peace.

"The relaxation of tension has also enabled our two countries to normalize economic relations. President Gorbachev and I made this one of our priorities at the Malta summit, and I can say with satisfaction today that this normalization process has virtually been completed now.

"As a result of this progress, when I return to Washington I will submit to Congress the U.S.-Soviet trade agreement that we signed a year ago. We will then be able to grant the Soviet Union most-favored-nation status in trade.

"I intend to urge Congress to abolish the Byrd and Stevenson amendments—restrictions limiting credits and impeding trade. In addition, we intend to step up our efforts to conclude a tax agreement and a bilateral agreement on capital investments.

"For most of this century the Soviet Union has been outside the world market—outside at a time when free market forces brought the West unprecedented prosperity. The results of this voluntary isolation from the world economy proved extremely costly.

"This situation has begun to change. At this month's London summit, President Gorbachev spoke about the Soviet Union's interest in full integration into the world economy.

"The Soviet Union must become a full-fledged participant in the world economy, and the United States intends to support you in these efforts. In addition to bilateral trade, the United States is trying to open doors for the Soviet Union to join the world economic process."

The U.S. President went on to stress the fruitfulness of our states' cooperation in putting an end to the aggression in the Persian Gulf and expressed hope of an end to the conflicts in the Near East, Cambodia, and Afghanistan.

Touching on the situation in the Baltic, he noted in particular:

"Questions relating to the future of the Baltic states—Estonia, Latvia, and Lithuania—are equally difficult. Today a new generation of democratically elected Baltic leaders reflecting the will of the Baltic peoples is urging the new generation of Soviet leaders to renounce one of the gloomiest legacies of the Stalin era. Naturally, sensible people with good will will be able to find a way of granting the Baltic peoples freedom.

"Only honest talks with the Baltic governments can settle questions linked with their peoples' desire to be free. We must not see the positive progress that we have made being jeopardized or called into question. A clear and unconditional commitment to peaceful change is necessary above all."

The U.S. President expressed his willingness to assist the "new Soviet revolution." Describing the stance held by the United States, he stressed that "as progress is made in implementing market-oriented reforms, the United States is willing to support your efforts. At this time the next step is to formulate an economic strategy in conjunction with the IMF and the World Bank—a strategy that will receive the support of the international investment community. It must be a program defining priorities and envisaging making maximum use of your vast wealth of natural resources and, what is more, a plan that will release the tremendous human potential of the Soviet people. Progress will depend on the pace of your reforms, on the speed at which you make the move away from the administrative-edict system to a system based on supply and demand. Our aid, as with Eastern Europe, will gain momentum in tandem with your reforms."

At the end of his speech, G. Bush noted: "Let this Moscow summit mark the end of the long era of mistrust and the beginning of a new era for our countries: an era of progress toward a new world based on peace and partnership."

First Ladies Visit Kremlin Attractions

LD3007182191 Moscow TASS in English 1320 GMT 30 Jul 91

[By diplomatic correspondent Igor Gvritishvili]

[Text] Moscow July 30 TASS—At a time when Presidents Mikhail Gorbachev and George Bush were having a one-on-one meeting in St. Catherine's Hall of the Grand Kremlin Palace, their charming wives made a sight-seeing tour of the ancient Kremlin, taking advantage of sunny weather.

Raisa Gorbachev and Barbara Bush saw Ivanovskaya Square, the Tsar-bell and the Cathedral Square, the oldest in Moscow. The guide of the tour was Mrs. Gorbachev, who confidently shared her knowledge about the history of the Kremlin.

The excursion of the two first ladies was repeatedly interrupted by improvised conversations with Soviet foreign tourists and children. Several group photographs were made.

Mrs. Bush expressed her admiration for what she saw and asked many questions. She was particularly interested in the ancient Assumption Cathedral, which is more than 500 years old. A wooden church stood in its place from the 3d century until the construction of the cathedral by famed Bologna architect Aristotle Fioravante.

Towards the end of the excursion, the first ladies saw the diamond collection of the USSR. Mrs. Bush was greatly impressed by the riches on display, including precious stones and regalia previously owned by the Russian crown.

After the tour of the Kremlin, Raisa Gorbachev and Barabara Bush returned to the Grand Kremlin Palace for a tea party. They were joined by Mrs. Baker, Mrs. Bessmertnykh and the wives of the Soviet and American ambassadors to respective countries.

Bush Kremlin Dinner Viewed

LD3007155891 Moscow TASS in English 1550 GMT 30 Jul 91

[Text] Moscow July 30 TASS—Preparations for official dinner in honour of U.S. President George Bush are almost complete in Moscow's Kremlin.

According to tradition, the dinner will be held in the Kremlin's Chamber of Facets, at 19:00 Moscow time. The chamber, built at the end of the 15th century, has been used to receive prominent figures from various countries for 500 years.

Russian dukes and tsars used the chamber to receive foreign guests and ambassadors, summon state assemblies and hold celebrations for about two centuries. Russian Tsar Ivan the Terrible celebrated the victory over the Kazan Khanate here in 1552, and Peter the Great held festivities after defeating Swedes in 1709. The Ukraine's reunification with Russia was decided here 340 years ago at Zemstvo Assembly.

Russian tsars and emperors used the Chamber of Facets for dinners after their coronation in the Kremlin.

Gorbachev Gives Speech at Dinner

CM3107134791 Moscow PRAVDA in Russian
31 Jul Second Edition p 4

[TASS Report: "New Opportunities for Cooperation"]

[Text] Esteemed Mr. President!

Esteemed Mrs. Bush!

Ladies and gentlemen, comrades,

I would like to welcome you to this solemn hall, which has witnessed many momentous episodes in our history.

We have already met on many occasions both during official visits and in other circumstances.

This is your first visit in your capacity as president of the United States, and we are pleased to return your hospitality. I am hopeful that this U.S.-Soviet summit will open up new prospects for our cooperation.

Mr. President, both you and I know how many subjects are being discussed and are worthy of attention during these days. I am saying this knowing both the agenda of our talks and the topics we have already covered in our discussion today. Tonight the focus of my remarks will be primarily on our bilateral relations.

The Soviet Union and the United States are not simply nations, they are more than just great powers. They are countries that stand for certain values and principles which have exerted a powerful influence on the course of history.

It was long held axiomatic that they were totally antagonistic and mutually exclusive. We have now proven this wrong at the political level, and we have begun to disprove it at the economic level.

I want particularly to emphasize the importance both of our movement towards each other and of the pace of that concerted movement. Under no circumstances should we allow the dynamics of global change to outpace the improvement of U.S.-Soviet relations. And, needless to say, we must be immune to any attempts to drive a wedge between us, no matter who may try to do it or where such attempts may come from.

Of course a great deal in our foreign policy or, rather, its effectiveness, depends to a large extent on domestic developments in our countries. We have a vested interest on the stable evolution of American society, which ensures the continuity of its role in world affairs. We expect reciprocity and count on America's continued support and understanding of the momentous change underway in our society.

Let me in this context turn to a subject that the President and I have already discussed and that is fundamental to future Soviet-U.S. cooperation. I am referring to the increasingly obvious discrepancy between the range and scope of our political dialogue, including its arms control aspect, on one hand, and the nature of our economic relations, on the other. Our meeting in London with the G7 leaders and all that has been associated with it have sharpened our awareness of the abnormality of this situation. In this regard, Mr. President, I have greatly appreciated your thoughts and suggestions contained in the long letter you sent me a few days before the G7 meeting.

Indeed, if we recognize the growing interdependence of the world today and if there is a will to help the Soviet Union to become part of the world economic system, then a more determined reciprocal movement is needed. The security concerns used to justify the existence of COCOM lists have lost their raison d'etre. Nevertheless, major and truly mutually advantageous projects for economic, scientific and technological cooperation, long ready for implementation, have been shelved because of the restrictions dating back to the cold war.

Mr. President, I think both of us would agree that, for all their importance, politics and economics alone are not enough to guide the development of nations and of relations among them. There are a few examples in history that prove this point, prompted also by intuition and by recent experience. I am thinking about moral, ethical and spiritual incentives and standards of progress. The influence they exert is the greater, the more we realize that we live in an interdependant world. The task before us all, therefore, is to look for common spiritual and intellectual underpinnings of the global process while preserving and fostering the national identities of various cultures and countries. This is an extremely difficult task, if we consider past history, religious and philosophical differences, the level of political maturity of nations and of their representatives, and the explosive potential of ethnic identities, particularly after years of their disregard or suppression. And yet, in the interests of present and future generations, it is essential that we should seek such a common denominator.

Our two countries and peoples will have to make their own unique and authoritative contribution to this effort.

As we are moving toward unity in diversity, an intensive dialogue is needed between our cultures on the philosophical problems central to life. Let our people benefit from the precious heritage created by their philosophers, poets and scholars. Let the intellectual flows of our two great nations come together. Let our young generations tread countless new paths from heart to heart. This will bring our nations closer together.

Our cultural and historic traditions have a common ground or, rather, common roots that go down deep in European soil. This is what makes the involvement of the Soviet Union and the United States in the CSCE process profoundly logical, for it is not only justified on geopolitical and economic grounds but also warranted by our spiritual and cultural roots in Europe.

The founding fathers of the United Nations seem to have identified the core around which different spiritual potentials, cultures, and religious and moral traditions can be united. That core is "the dignity and worth of the human person". It was then that the world community was faced with this challenge.

Philosophers and writers of our two nations, from the great classics until today, have been developing this theme of human dignity. I could quote the names of many great men and women in America and in this country who have worked to promote this idea, enrich it with their genius, and who influenced profoundly the moral advance of mankind.

The political and economic changes now underway in our country are also due to our realization of the importance of human rights and of providing guarantees against their suppression.

This, however, is a universal challenge. I see humanism as the supreme value not only in philosophy or culture but also in politics, both foreign and domestic.

I may be asked if that is a realistic goal to pursue in our time, with its harsh realities, traditions of power and centuries-old rules governing the clash of ambitions. I believe that we can, and more than that, we must pursue that goal.

There may be nothing very new in these thoughts. It is, shall I say, well-charted territory in both rhetoric and political debate. What we need is practical action. This requires mutual efforts by intellectuals and politicians in the quest to achieve the harmony of ideals and realism, to conciliate differences and to overcome selfish nationalisms as we all move toward a new world order.

Today, on the eve of the signing of the historic treaty that will drastically reduce the Soviet and U.S. strategic nuclear arsenals, I invite the United States to work toward a fundamental transformation of our relations in the interests of world peace, stability and progress.

I propose a toast to the new frontiers in U.S.-Soviet relations. May relations between the USSR and the USA rise to the level of the personal relationship between their presidents.

To the health of President George Bush, to the health of Mrs. Barbara Bush.

Text of Bush Dinner Speech

CM3107135591 Moscow PRAVDA in Russian 31 Jul Second Edition p 4

[Text] Thank you Mr. President, Mrs. Gorbachev, and all the Soviet people who have welcomed Barbara and me so warmly to this great city and this great country in this historic time.

I want to pay a special tribute to our host and friend—a man my country greatly respects. And a man I greatly value. When he came to Washington last year I took him up to Camp David. While there, we played horseshoes—a game in which you toss a horseshoe as close as possible to a stake far away. On his very first toss, he hit the stake. I gave him that horseshoe as a symbol of good luck. But I think his successes are not due to good luck, but are more due to his unique mixture of determination, courage and skill.

Dramatic changes have reshaped our world since we first met six years ago, Mr. President. The relationship between our great nations has moved from confrontation to friendship. Our growing ties remind me of an old proverb from your land: "There's no road too long and no obstacle too hard for friendship." Our nations' friendship, built on mutual respect and personal trust, is changing the world.

For almost a decade, our START negotiators sought to achieve real and stabilising reductions in our strategic arsenals. Tomorrow, we will sign a START agreement—a treaty that bolsters the promise of peace and advances the security of both our nations—the first agreement ever to reduce the number of strategic nuclear arms. START and CFE both testify to our new spirit of cooperation and to its potential for building world peace.

But arms control is only one element of our new relationship. We will spend much of our two days together discussing the issues that will shape our future—democracy, free markets, prosperity, and peace.

A peaceful revolution has unfolded in the Soviet Union, and we wholeheartedly support your progress towards a society based upon the rule of law, democratic institutions, and a system of free enterprise.

We stand ready to cooperate with you in transforming your economic system by normalising bilateral ties, broadening our trade relations and taking concrete steps to support market reforms in various sectors—food, energy, and defense conversion.

Today, we spoke of ways to follow up on President Gorbachev's successful visit to London. The United States supports your integration into the global economy, but a successful integration will ultimately depend on your democratic and market reforms.

Internationally, our growing partnership as peacemakers and peacekeepers continues to deepen. In the past year we have worked together to deter aggression and to encourage nations to resolve their differences peacefully.

Now, our common efforts may help bring peace to the Middle East. In this region, where dangerous confrontations once divided our nations, we may consolidate our partnership as peacemakers.

Our people will face tough challenges in the days ahead. It's an ancient custom in your land that when you prepare for a long journey you sit for a moment of quiet reflection. Perhaps that is what we need to do now, at least in the silence of our hearts: For individually and together, we face a long, exciting journey of change.

We can gain inspiration from the words of Anton Chekhov, who once wrote of our responsibility to our world: "Man has been endowed with reason, with the power to create, so that he can add to what he has been given."

Let us add to the relationship we have developed in recent years. Let us build a better future.

As we begin, I echo your traditional toast: "To the future of our countries."

The dinner took place in a friendly atmosphere.

Bessmertnykh, Baker Focus on Mideast

LD3007181791 Moscow TASS International Service in Russian 1728 GMT 30 Jul 91

[Text] Moscow, July 30 (TASS)—Aleksandr Bessmertnykh, USSR foreign minister, and James Baker, U.S. secretary of state, continued their talks today with the framework of the USSR-U.S. summit.

The ministers carried out an in-depth and detailed analysis of the situation which is emerging in connection with the efforts made to launch the process of peace settlement in the Near East. It was noted that in the recent past certain progress has been attained in this respect, something which is particularly reflected in the clearly emerging support among a number of directly involved parties for the idea of convening a peace conference on the Near East.

Contours for such a conference, and its main goals and components have been taking shape. The ministers agreed to continue the close coordination of their appropriate practical steps in getting the world to render its assistance to the starting process of peace settlement in the Near East region. Confidence was expressed that the Moscow meeting between the USSR and the U.S. Presidents will make a weighty contribution to the cause of resolving the Near East conflict.

Specific issues concerning bilateral cooperation between the USSR and the United States were also discussed.

Baker, Bessmertnykh Sign Agreements

LD3007200191 Moscow Central Television First Program Network in Russian 1530 GMT 30 Jul 91

[From the "Television News Service" program]

[Text] Our correspondent Aleksey Melnikov today attended a meeting of the heads of the foreign political departments of the two countries and other members of the two delegations.

[Begin recording] [Melnikov] In the first half of today five important documents regulating relations between our countries in various spheres were signed. U.S. Secretary of State Baker and USSR Foreign Minister Bessmertnykh signed a memorandum on cooperation in the field of preventing accidents and natural disasters and eliminating their consequences. A protocol on consultative technical cooperation in the economy, a memorandum on cooperation in civil aviation safety, an agreement on urgent medical supplies and aid connected with this, and a memorandum on cooperation in housing construction and economic development were also signed. James Baker, U.S. Ambassador Matlock, and the heads of the corresponding departments in our country took part in the signing.

Assessing the continuing talks in the field of broadening trade and economic cooperation the USSR Foreign Minister Bessmertnykh said:

[Bessmertnykh] This is a diverse field; it concerns international cooperation, including cooperation within the framework of the seven plus one meeting, and even broader; it concerns direct trade and economic ties between the two countries, and the problems of lifting trade restrictions. In any event, this field is not a static one; we think that it promises to develop in the very near future. [Video shows signing ceremony and Bessmertnykh being interviewed] [end recording]

Moscow Official Comments

OW3107052891 Moscow INTERFAX in English 1645 GMT 30 Jul 91

["Sergey Stankevich Comments on the Gorbachev-Bush Talks"—INTERFAX headline; transmitted via KYODO]

[Text] "The current meeting between the Soviet and American presidents differs from the previous ones in that Boris Yeltsin and Nursultan Nazarbayev had been invited to participate in them," first Vice-Chairman of the MosSoviet [Moscow City Soviet], Sergey Stankevich, told journalists on Tuesday. "I think, the fact of inviting Yeltsin and Nazarbayev to the talks will confirm Gorbachev's recent bent toward teamwork with the republican leaders."

"Indeed, the main source of Gorbachev's political influence and inspiration is neither the Communist Party, nor his former popularity, but cooperation with the republican leaders who are strongly supported by their electors," he said. "Therefore, Gorbachev highly ranks such key figures as Yeltsin and Nazarbayev."

Sergey Stankevich believes that there is a clear cut difference between the two leaders. Yeltsin is not only oriented to market reforms, but also consistently advocates democratic forms of government. Nazarbayev represents a model of transition of market relations which has a great deal in common with the Chinese model, he said.

Gorbachev will try to preserve good relations with both leaders and will obviously try to balance up the two transitional models.

Sergei Stankevich believes that after the main disagreements on arms control and START treaty are cleared,

arms-control problems will be relegated to the background, while economic and financial cooperation with the West will move of the fore.

Sergey Stankevich thinks, therefore, that during the talks with President Bush, Boris Yeltsin will put the main accent on the fact that it is high time to give Western officials and businesss people a chance to deal directly with the republican leaders and entrepreneurs.

Ignatenko-Fitzwater Briefing Cited

LD3007185791 Moscow TASS International Service in Russian 1710 GMT 30 Jul 91

[Text] Moscow, July 30 (TASS)—In reply to a question put by a TASS correspondent about the directions in which the arms control talks between the USSR and the United States will further develop and about the priorities of the USSR and the United States in this respect, the press secretary of the U.S. President said:

"We believe that the treaty to be signed tomorrow is truly a document of historic proportions. We have already mentioned that the current summit meeting symbolizes changes at the basis of the USSR-U.S. relations. When we signed the treaty on shorter and medium-range missiles in Washington in 1987, there was discussion on the nature of our relations, which were then only beginning to change. Then there was talk about the old rivals—not the old friends.

"I think that the present meeting has demonstrated with all clarity a sharp change in this respect. Now we talk about constructive friendship. We are nevertheless interested in keeping discussion of arms control on the agenda. Both presidents will probably discuss these problems tomorrow. But now we are extremely pleased that we have attained such a substantial breakthrough in the sphere of the treaty on strategic offensive weapons."

"I absolutely agree with this evaluation", added Vitaliy Ignatenko. "Today we believe that a fundamentally new mutual security model based on openness, trust and predictability must be at the center of the concept for the second stage of disarmament. This will be disarmament at a qualitatively new and higher level. It will go beyond the bounds of deterrence. This will be full partnership within a model based on the principles of what is reasonable and of strict self-defense. Specifically, for instance, under discussion could be problems of space weapons, tactical nuclear weapons in Europe, Navy, and chemical weapons."

Marlin Fitzwater also said that in the coming autumn the sides intend to consider specific arms control problems on which it would be possible to hold talks with a view to carving out a new path in this sphere. "But at this stage," he noted, "in our view, it would be premature to try and predict with precision where exactly that path would lead."

The U.S. President's press secretary noted the "increasing maturity" of Soviet-U.S. relations. "We are in a position to discuss frankly and forthrightly questions which complicate our relations," he said. "We have disagreements with the USSR but they are such that the presidens of the two countries discuss them openly and sincerely. This is a normal situation."

One of the journalists asked the White House press secretary how he would describe in brief the present state of Soviet-U.S. relations. The presidents, Fitzwater noted, perhaps most frequently use the term "partners". Relations between us are developing rapidly and it is difficult to describe them in one word. They have evolved from a state of hostility over many years to growing respect and partnership and joint solving of problems which can be solved not only by the efforts of the two sides but also together with other countries.

This summit meeting, the U.S. President's press secretary went on to say, quite clearly shows that the problems on which we agree are much greater in number than than those on which we disagree. The situation in East Europe, the dissolution of the Warsaw Pact, the reorientation of the activity of NATO, President Gorbachev's participaton in the conference of the "Seven", the integration of the USSR into the Western economy—all of these mark major changes in East-West relations, Fitzwater stressed. You have heard the two presidents speaking about a new era of friendship and about a new partnership, and these features most clearly accord with the present moment. Our relations could become even stronger in the coming months.

Vitaliy Ignatenko, head of the USSR president's press service, added that what is of importance now is not just the direction of joint efforts but also the speed with which the two sides draw closer together. On this will depend the strength of the relations of partnership and participation in common causes.

Ignatenko Outlines Gorbachev Position

LD3007175891 Moscow All-Union Radio First Program Radio-1 Network in Russian 1600 GMT 30 Jul 91

[Text] Vitaliy Ignatenko, aide to the USSR president in charge of links with the media, speaking to journalists at the Center for International Trade, told them about the first round of talks. My colleague Andrey Trapeznikov was at the briefing, so here is his report.

[Trapeznikov] Vitaliy Ignatenko and Marlin Fitzwater, press secretaries of the two presidents, held a joint news conference today at the press center of the Soviet-U.S. summit, at the Center for International Trade in Krasnaya Presnya, on the results of the first day of George Bush's visit. Vitaliy Ignatenko briefed journalists on the main aspects of the Soviet position at today's talks. He said, among other things:

[Begin Ignatenko recording] Mikhail Sergeyevich Gorbachev said that he would like, first of all, to express his satisfaction that the visit of the President of the United States and the documents that will sum up this meeting

are a significant contribution to the development of relations between the Soviet Union and the United States. He stressed that he values today's state of our relations very highly indeed, that we have a wish to develop them in all ways, and stressed that this is our choice. If, for some reason—Gorbachev said—the inclination to improve relations between the Soviet Union and the United States were to weaken in the United States, we would be prepared to join the campaign within the United States itself to protect these good relations. Our choice is in keeping with our long-term interests, the interests of the Soviet Union.

I hope that this does not contradict the interests of the United States either, Gorbachev added. He expressed sincere gratitude to the President of the United States for a sincere interest in developments in the Soviet Union, which he showed during the one-on- one meeting. He said that this interest is born on the basis of a search for better solutions at this stage, which is a transitional stage for our country. He said that our partnership is growing. There was one phrase which sounded rather like a paradox: that we want as great an economic dependence on the United States as possible. Perhaps this really does sound like a paradox, but all this follows not from an inferiority complex; we simply want, Gorbachev said, to be more predictable, more understandable to your people, and our relations in the economy must develop on a large scale. All this together will show that we trust each other ever more.

I would next single out the problem which was studied by the two presidents concerning the attitude to prohibitive matters, such as Cocom [Coordinating Committee for Multilateral Export Controls]; establishing cooperation in the sphere of conversion was mentioned, as well as in outer space. Specific projects which had been considered by our two countries were also discussed. [end recording]

[Trapeznikov] Marlin Fitzwater added to what his colleague said that the sides had been discussing, among other things, the situation in Afghanistan, Cuba, and South Africa; the situation in the Baltic republics was not unnoticed, either.

Questions from the journalists started, probably, from the main sensation of today: why Boris Yeltsin, president of Russia, did not take part in the Soviet-U.S. talks this morning. The answer, as it turned out, was as simple as this: Gorbachev and Yeltsin agreed yesterday that the meeting between the presidents of Russia and the United States of America would take place during the second half of the day.

[Moscow TASS in English at 1717 GMT on 30 July in a similar report adds the following: "Tomorrow in Novo-Ogarevo, Gorbachev and Bush will ponder 'in the open air' what are the political coordinates of the USSR and the U.S. and 'how should our countries advance together.'"]

Fitzwater's Remarks at Briefing

LD3007165791 Moscow TASS in English 1636 GMT 30 Jul 91

[By correspondents Igor Ignatyev and Andrey Fedyashin]

[Text] Moscow July 30 TASS—The current summit meeting symbolises, as no other event, perhaps, the end of an era when the agenda of relations between the two powers had been dominated by rivalry in the arms race, U.S. presidential press secretary Marlin Fitzwater told a briefing here today.

President Bush regards the summit as a catalyst for the development of these relations in new areas of cooperation based on common values and support for more free and democractic societies, Fitzwater said at the briefing held jointly with Vitaliy Ignatenko, head of the Soviet presidential press service, at the international press centre of the Soviet-U.S. summit.

The first round of the talks between the presidents of the USSR and the U.S. was almost completely devoted to the discussion of economic issues, including the decisions endorsed at the recent Group of Seven economic summit in London, technical assistance matters and the course of economic reforms in the Soviet Union.

Commentary on Bush Kremlin Remarks

LD3007131991 Moscow Radio Rossii Network in Russian 1100 GMT 30 Jul 91

[Excerpt] [Passage omitted] At 1000, outside the Kremlin, the U.S. President's entourage was met by Meskhetian Turks demonstrating against their oppressed situation in the USSR.

You may recall that the human rights situation in our country is one of the main criteria for the Americans. This situation still leaves much to be desired.

Another surprise followed in the first few seconds of the meeting in the Kremlin. Many noticed that in going out to meet the Bushes, Raisa Gorbacheva was a little ahead of her husband, Mikhail Gorbachev. This caused a number of smiles among journalists accredited to the meeting.

There were also surprises in President Bush's greetings address, or rather, inaccuracies. Speaking about the victims of the Great Patriotic War, the President cited the figure hundreds of thousands, although in actual fact tens of millions were killed. The word democracy entered the Russian language from Greek, not from the West, as George Bush said, although this formal error does not alter the essence of the comment. After all, the democratic processes that have begun in our country are only a repetition of the path that all civilized countries have traversed, including the United States.

First Day Reported

PM3107104591 Moscow KOMSOMOLSKAYA PRAVDA in Russian 31 Jul 91 p 3

[Report by A. Vasilyev and S. Ivanov: "G. Bush: 'Wonderful Day, Wonderful City'"]

[Text] The official meeting between USSR President M. Gorbachev and U.S. President G. Bush began yesterday at 1015 hours. The leaders of the two powers and their wives met in the Kremlin's Georgiyevskiy Hall. On entering the hall, Bush said: "A wonderful day.... A wonderful city." Raisa Maksimovna was wearing a severely cut black and white dress, Barbara Bush was in bright red. Round G. Bush's neck was a tie of stupendous surrealist tones, while Mikhail Sergeyevich was as severely dressed as always.

It is no accident that we draw your attention to such petty details, because in general there is nothing else on which to focus it. So far the meeting does not promise any surprises and therefore any detail becomes obvious.

But here is a rather more important detail. Even in his greetings speech G. Bush unexpectedly raised the question of the "Northern territories" which for many years has seriously complicated Soviet-Japanese relations. This fact shows that Bush came to Moscow not simply as U.S. President but also as the fully empowered representative of the seven biggest powers of the West, which lay claim to leadership in the world today, and that he, President Bush, is prepared to put pressure on the Soviet Union in fields which affect the interests not only of America but also of its allies.

The speech which G. Bush delivered at the Moscow Institute of International Relations also attests to claims to leadership in the world today and to the desire to continue the erection of a "new world order."

Yesterday at the Moscow State Institute of International Relations G. Bush spoke with great inspiration and optimism. After a brief historical digression in which four decades of "cold war" were described as casting a shadow on the already alarming and overarmed world, the U.S. President stressed: The present summit should write a new chapter in relations between our two countries.

The elevated description which the President gave of the START treaty, which is to be signed today, is entirely understandable. All this taken together promises our countries a new level of economic relations. It was perhaps a revelation that an agreement on the normalization of USSR-U.S. economic relations was achieved back in Malta and that the process of normalization in the economic field has been completed. The U.S. President promised on his return to Washington to submit to Congress his proposals for granting the USSR most-favored nation status and to promote the repeal of the amendments which are impeding normal trade between our countries.

Bush complained of the obstacles which still remain on the path to full mutual understanding and which are rooted in a past darkened by the "cold war." In that context for the second time in the one day of the visit there was mention of the question of the "Northern territories," of the problems surrounding the Baltic republics and aid to Cuba, whose leadership does not share the glasnost and perestroyka in our country, and of the excessive military expenditure in the USSR. The processes now under way in our country have been called revolutionary. And the President promised that the United States is prepared to help the new revolution. Concluding his speech and thanking everyone for the opportunity provided to him, George Bush acted just like a student, jumping down into the stalls of the Moscow State Institute of International Relations conference hall, where he greeted and shook hands with A. Yakovlev, Ye. Velikhov, N. Travkin, O. Kalugin, G. Arbatov, and other acquaintances.

The most piquant detail of the first day of the Soviet-U.S. meeting was Boris Yeltsin's decision not to take part in the talks with George Bush in the same team as M. Gorbachev and N. Nazarbayev. Although for those who have been observing the Russian president's political career attentively this was no surprise.

Let us recall Gorbachev's visit to Tokyo and Yeltsin's provision that it was essential to include a RUssian representative in the delegation—at that time there was a discussion of the territorial question, which concerns Russia. Let us recall 1988 and Ronald Reagan's visit to Moscow. At the time the interview which Boris Nikolayevich gave to the British mass media really blew up the summit press center, considerably complicating Gorbachev's position at the talks with Reagan. At that time Yeltsin was acting alone. Today he has his own foreign minister—Andrey Kozyrev, who has told journalists that at 1600 hours there was a separate meeting between Yeltsin and Bush.

The situation in the Gorbachev-Yeltsin-Bush triangle somewhat enlivens the picture of the official meetings and talks. The election of Boris Nikolayevich as Russian president has added new details to this already complex structure. Yeltsin is striving at every convenient and inconvenient opportunity to state Russia's independence in the foreign policy sphere. It is obvious that these steps sometimes put the White House in an awkward position since the U.S. President would like to be friendly with both presidents in Moscow. George Bush is even trying to play the role of a buffer between the leaders of the Soviet Union and Russia. Well-informed U.S. journalists assert that the U.S. President at his own initiative informed the USSR president of his talks with the Russian president in Washington. Moreover, when Boris Nikolayevich was in the White House Oval Office, Bush tried to telephone Gorbachev in Moscow but... he could not get through.

The journalists covering the summit meeting are very surprised that G. Bush's official program does not provide for a meeting between the President and the leaders of the Baltic republics. They claim with one voice that this cannot be and hope that talks will nonetheless take place—today, unofficially, in the U.S. Embassy in Moscow.

Will there be any more surprises at the meeting? Possibly. There is some point in attentively following the talks between Foreign Minister A. Bessmertnykh and U.S. Secretary of State James Baker on the problem of a Near East settlement. Yesterday evening the two ministers were waiting for a telephone call from Jerusalem from Israeli Prime Minister Yitzhaq Shamir. Shamir was to offer his version of a settlement of the main vexed issue: the nature of the Palestinians' representation at the talks. If no solution has yet been found James Baker will go from Moscow to the Near East alone. If there is a solution Bessmertnykh and Baker will go there together to present invitations to the states to a conference on a Near East settlement. In circles close to the Israeli foreign ministry it is believed that during this trip the head of our foreign policy department may announce the restoration of diplomatic relations between the USSR and Israel.

PRAVDA on First Day of Talks

CM3107135091 Moscow PRAVDA in Russian 31 Jul Second Edition pp 1,4

[Text] The meeting between both presidents began 30 July immediately following the festive ceremony of greeting in the Georgiyevskiy Hall in the Kremlin. Bearing witness to the continuity and regularity of their contacts, this meeting stands out because of special significance. It is taking place at a time when the interaction between the two powers and the cooperation between them which involves direct partnership have already yielded tangible results in world politics. Having in George Bush a collocutor who approaches all issues with enormous responsibility, noted Mikhail Gorbachev, one can go forward even in very complicated situations. Having agreed upon the timing of the problems to be discussed in the next few days, the presidents began their big conversation with the situation in the USSR. Judging by George Bush's questions and comment, it was obvious that the interest in our problems is explained by a desire to gain a better understanding of our realities and a desire to define in practical terms the policy of supporting perestroyka and the deep democratic transformations in the USSR.

U.S. interest in the processes in the USSR is linked to a search of the ways in which both sides ought to act during this stage of transition, a very complex stage, in relations with each other and in world affairs. All this is of great value. And that is why the visit, which was prepared with care and over a long period of time is, according to Mikhail Gorbachev, a real contribution toward improving Soviet-U.S. relations, reflecting their new quality and content.

As for the Soviet leadership, he stressed, the improvement of relations with the United States is a well-considered decision and the final choice which we will defend against any attempts to impede its implementation. This choice is in keeping with the USSR's in- depth, long-term interests. Reacting to the U.S. President's statement that cooperation with the USSR is also in keeping with U.S. interests, Mikhail Gorbachev spoke of the deep and future significance of mutual relations and interdependence of states in the economic respect, because it makes policies more substantial, more responsible, more predictable and, consequently, leads to greater trust. In a two hour eye-to-eye conversation and, subsequently, with delegations present, the main focus was devoted to economic relations between the USSR and the United States in the context of the G-7 decisions in London.

George Bush was interested in what we regard, specifically, as being the most topical issue in these relations at the present, acute stage, one which evokes great concern among the U.S. public. Citing specific trends and facilities where cooperation could yield most direct benefits and where it would without a doubt be of benefit to Americans, Mikhail Gorbachev described in detail our needs at the present stage of the radicalization of the economic reforms and of the formation of a new Union. Impediments that put a brake on the process of the Soviet economy reaching the world market and, what follows, on its transformation on market principles, were also discussed.

In the West they are linked with the legacy of the cold war, while in our country with the transition from one system to another. The arguments and considerations voiced on this score have been perceived with understanding and a readiness to get to the bottom of things in relation to specific cases and facilities, including a project with the participation of a major firm, Chevron, where cooperation that was successfully begun came to a standstill. Agreement was reached on specific steps for the nearest future. They will be made taking into account George Bush's proposals made in his 11 July letter and the results of the G-7 meeting in London.

Summing up the discussion of this topic, Mikhail Gorbachev said that the correct approach toward economic cooperation is mutual advantage and mutual interest. What is better for the USSR is also better for the United States, George Bush concluded.

The presidents exchanged information on how the USSR and the United States are perceived in their respective countries. Despite all the differences and nuances characteristic of various political circles and social strata, the common denominator is a positive one. The majority of

Americans and the Soviet people support the policy of improving relations, something that is also of importance for its predictability.

Taking part in the concluding part of the conversation which was businesslike and passed off in an atmosphere of amicability and sincerity were: N. Nazarbayev, V.S. Pavlov, A.A. Bessmertnykh, D.T. Yazov, V.I. Boldin, Ye. M. Primakov, I.A. Alekseyev, A.S. Chernyayev, V.N. Ignatenko, A.A. Obukhov, V.G. Komplektov, J. Baker, J. Sununu, B. Scowcroft, M. Fitzwater, J. Matlock, R. Zellick, E. Hewitt, D. Ross.

First Day Analyzed

PM3007191791 Moscow PRAVDA in Russian 31 Jul 91 First Edition p 4

[Report by Tomas Kolesnichenko under the "Viewpoint" rubric: "The First Page"]

[Text] The first day of the Moscow summit has already provided the answer to the main question that every unprejudiced observer was faced with yesterday: Will the sixth meeting between M. Gorbachev and G. Bush be just another working conference and a memorable date in connection with the signing of the START Treaty or will it open up a new era in Soviet-U.S. relations?

The answer is clear. And let the reader not make reproaches about a familiar cliche. It simply so happened that you use the poet's thoughts and say: The gods have called on the generations of people living today to testify to the fact that the world is inexorably changing. And we are changing with it. Whether we want this or not, we are far from being the people we were, for instance, six years, or even one year ago. How are people to relate to us, today's people, and how are they to assess what is happening in the Soviet Union? I think that these very thoughts have prevented President Bush from sleeping at night, and have forced his analysis staff, which numbers many people, to elaborate a new approach, a new policy.

This path was not wholly smooth. But we will not search for the culprits for this now, particularly since it was difficult to work out what is happening in our huge country until quite recently, before the Novo-Ogarevo process began, and it was difficult to count on any one political force. But the movement along the path of democratization and reforms is continuing.

They say, know thyself. But it is no less important to know one another. The deciding factor here, from my point of view, was the meeting between the Soviet President and the leaders of the "G-7" in London. It was there that the main question, what I would call the philosophical question of our times, was decided: Can a single human civilization within common moral norms, and political and social aspirations that exclude hostility between people, war, and destruction, be finally created at the end of our century? The answer to this question was not simple. But a sober-minded approach on the part of the forces that were previously considered to be antagonistic has allowed us to answer it. London posed the question of creating a single world economic space, and the integration of the Soviet economy in the world economy. In this way, questions of politics and arms control were somehow relegated to second place. But purely outwardly. Because transferring the emphasis to economics actually means the triumph of a sensible policy and political foresight in the construction of a new world order.

Although questions regarding the USSR's relations with the "seven" as a whole were being decided in London, it is no secret to anyone that Washington, which is, as they say "first among equals" in this club, has determined the strategy for mutual relations with the USSR for the future. But there are problems that depend solely on mutual relations between the USSR and the United States. In this sense the following fact is highly significant: The current Moscow "summit" is, strictly speaking, the first real summit meeting following the "cold war." Hence the concrete task of working out the "rules of the game" in these relations for the future. For example, how to assess the evolution that is taking place within the Soviet Union. We have had to stress several times that all our arguments and quests, and sometimes our vacillations are being registered in the West with the precision of a seismograph and are provoking a specific reaction. I think that there are many positive elements in the fact that the present meeting, which was planned back in spring, was postponed. Today the Novo-Ogarevo process is gaining strength, and the fact that the president of another republic is sitting at the negotiating table next to the USSR President is already making it clear that stability is being strengthened in our country.

Washington is faced with another problem too, particularly following the triumphant campaign in the Persian Gulf when certain American strategists got carried away, to put it bluntly, and carried out their "solo" role on the world arena alone without involving Moscow. We have to give President Bush his due, he himself successfully avoided getting carried away as a result of success, and as the present meeting shows, he is seriously counting on continuing positive cooperation with the Soviet Union as a great power. By all accounts, we too have made our choice—we have firmly adopted the line of good relations with the United States. One of the examples is the Near East. As observers believe, complete mutual understanding on holding a peace conference on the the Near East has now emerged between Bush and Gorbachev. Think about it: Even five or six years ago this was simply unthinkable. The world was divided, particularly in this area. The struggle of ideologies replaced common sense.

It was only in the dreams of futurologists that you could imagine that we would be able to cooperate in this sphere. Today this is a realistic factor, and the current Moscow meeting will clearly be a step forward in this sense.

Of course the culmination of this meeting will occur tomorrow. Even if only this treaty was signed during the

Moscow meeting, even then it would still go down in history, there is no doubt about that.

With two strokes of their pen, the presidents will sum up the results of the tremendous 10 years of work carried out in the disarmament sphere. But that is exactly what they will be doing. And a new era of mutual relations is shifting the stress to economics, peaceful cooperation, and trust. Today or tomorrow President Bush will declare the granting of Most Favored Nation status to the Soviet Union. Strictly speaking, this step in itself is not particularly immense. America has granted this status to over 100 countries. But then everything needs to be examined in the context of our mutual relations. This will finally end the period of trade discrimination against the Soviet Union and will make it possible, according to specialists, to more than triple the trade turnover between the countries, and bring into our economy investments of American capital which it needs so much. At the same time, I would like to note that we should also understand that there is not much for America to buy in the Soviet Union. We need output at the level of world standards.

To return to London, I will note that we now have access to technical assistance. So will it arrive, this new era, which both leaders are virtually promising us? Let me just refer to one quote from today's broadcast of the American radio station INS, which called the Moscow meeting a "historic event that could begin a new volume in the annals of relations between the Kremlin and the White House."

Well, the first page of this volume has already been written today.

Vremya Assesses Talks

LD3007190591 Moscow Central Television First Program Network in Russian 1800 GMT 30 Jul 91

[From the "Vremya" newscast]

[Text] The talks between both presidents in the Yekaterinskiy hall of the Great Kremlin Palace began with a friendly handshake, a symbol of the positively developing ties between the heads of our states and between both superpowers. The Soviet-U.S. summit is taking place at a time when the interaction between the two powers and the cooperation between them which involves direct partnership have already yielded tangible results in world politics. Having agreed on the timetable for discussing problems in the next few days, the presidents began a conversation about the situation in the Soviet Union. Judging by George Bush's questions and comment, it was obvious that the interest in our problems is explained by a desire to gain a better understanding of our realities.

The interest in the United States in the processes in the Soviet Union is linked to a search for the ways in which both sides ought to act during this stage of transition, a very complex stage, in relations with each other and in world affairs. Responding to the U.S. President's statement that cooperation with the Soviet Union is in keeping with America's interests, Mikhail Sergeyevich Gorbachev emphasized the significance of mutual relations and interdependence of states in the economic respect, a significance that is profound and geared to the future.

Soviet-U.S. talks involving members of the delegations later took place in the Yekaterinskiy hall of the Great Kremlin Palace. They also focussed in the main on economic relations between the USSR and the United States in the context of the G7 decisions in London. George Bush was interested in what we regard, specifically, as being the most topical issue in these relations at the present stage, one which evokes great concern among the American public. Mikhail Sergeyevich Gorbachev described in detail, citing specific trends and facilities, our needs at the present stage of the radicalization of the economic reforms and of the formation of a new Union.

Impediments that stand in the say of the Soviet economy reaching the world market were also discussed. Accord was reached on specific steps in the nearest future. These will be taken considering the proposals George Bush made in his 11 July letter and the results of the G7 meeting in London.

The presidents exchanged information about how the USSR and the United States are perceived in their respective countries. It was noted in this context that the majority of Americans and the Soviet people support the policy of improving relations, something that is of importance for the predictability of this policy.

Radio Summarizes Bush Speech

LD3007154591 Moscow All-Union Radio Mayak Network in Russian 1430 GMT 30 Jul 91

[Text] Today George Bush made a speech at the Moscow State Institute for International Relations. Here is a report by our special correspondent Ashod Nasibov:

[Nasibov] The mass media were showing heightened interest in this speech long before the President arrived in Moscow, seeing it as a manifesto determining the basic guidelines for Washington's policy regarding the Soviet Union. The U.S. President started his speech by declaring a new era in relations between our countries, relations of peace and cooperation. The harsh realities of the cold war have been consigned to oblivion, and new opportunities are calling us forward. Regional conflicts have ceased to be a stumbling-block in relations between the superpowers, and have ceased to provoke them to confrontation. On a global scale, the risk of war starting has today been reduced to the minimum. According to George Bush, the U.S. and Soviet Presidents have achieved substantial progress in the building of new relations. This concerns first and foremost disarmament topics. The START treaty that will be signed tomorrow confirms this. It means that the most destabilizing nuclear weapons are being reduced.

In his speech, the U.S. President repeatedly referred to the topic of economic cooperation. He stated that once the USSR Supreme Soviet approved the law on entry and exit, the main obstacle on the road of development of these ties was cleared away. Following his return to Washington, George Bush emphasized, he will submit to Congress the trade agreement between our countries, after which the granting to the Soviet Union of Most Favored Nation status in trading will become possible.

But the most weighty proof of the overcoming of the remnants of the cold war was the cooperation in the Persian Gulf, the U.S. President stated. In his opinion, in the earlier period of tense relations, Iraq's invasion of Kuwait would have taken the two superpowers, and perhaps the whole world, to the brink of war. However, this cooperation, cooperation between the two countries instead of confrontation, led to the isolation of Saddam Husayn, and his thoughts of using the differences between the USSR and United States for his own ends failed. During the crisis in the Persian Gulf, the Soviet Union and the United States worked together. This has given hope that we will also be able to work together in various parts of the world which are torn by conflicts—in the Middle East, Cambodia, and Afghanistan, George Bush said. We can work together, as we worked for the cause of peace and freedom when organizing elections in Namibia, Angola, and Nicaragua.

But despite the progress that has been achieved, let us say plainly that disagreements remain, the U.S. President stated. Among these he mentioned the problem of the so-called Northern Territories in relations between the USSR and Japan; in this case, the United States supports Tokyo's position. Another such problem is that of the Baltics; whatever the case, President Bush said, this problem must be settled by peaceful means. He dwelt in greater detail on Soviet military aid for Cuba. As the President said, the United States is not threatening Cuba, and the USSR has no need to spend millions of dollars on military aid there, aid for a regime which has ended up in isolation, a regime which, the U.S. President said, rejects any movement towards democracy.

Returning to the topic of the economy, George Bush expressed his view of the need for the USSR to cut domestic military spending. The militarization of your economy, he said, is the main cause of its difficulties.

The address by the U.S. President gave considerable time to his vision of the political situation within the USSR. In George Bush's words, a new Russian revolution is now taking place in our country. He spoke highly of the political changes which led to the flourishing of literature, which was previously only in the realm of samizdat, and to the fact that former dissidents, who were persecuted for their political convictions now number among respected people's deputies. But conservative forces continue to preserve their strength, the speaker emphasized. In these conditions the question arises as to whom the United States should support. America supports the forces that are for freedom and reform, the U.S. President stressed.

This meeting in Moscow, George Bush noted in conclusion, will put an end to the era of distrust, and the result will be that relations between the United States and the Soviet Union will improve.

'Activists' Protest 'Collusion'

OW3107051691 Moscow INTERFAX in English 1830 GMT 30 Jul 91

[Following item transmitted via KYODO]

[Text] Several dozen activists of the neo-Bolshevik movement "Unity", the society "Pamyat", and the United Workers' Front gathered with red banners near the American Embassy, Tuesday, for a demonstration of protest. They carried posters saying "Down with the collusion between Bush, Gorbachev, and Yeltsin behind the people's backs" and "Bush, Gorbachev, Yeltsin! Russia will not be milked by the United States and Israel."

The demonstrators told INTERFAX correspondent that so far they "kept their actions peaceful", but if the "sale of Russia and the Soviet Union went on, they would use other methods".

Baltics Request Meeting With Baker

OW3107045391 Moscow BALTFAX in English 1700 GMT 30 Jul 91

[Following item transmitted via KYODO]

[Text] Chief of the Latvian Foreign Ministry's press centre told BALTFAX that the Baltic republics' foreign ministers had expressed joint request for meeting U.S. Secretary of State, James Baker in Moscow during the U.S. delegation's official visit to the USSR.

The Baltic republics' foreign ministers would like to discuss with Mr. Baker possible trade agreement between the USSR and the U.S. particularly its aspects which have to do with the Baltic republics.

Latvia's foreign minister, Janis Jurkans, told the newspaper Diena that it would be important to hold joint talks in order to convince the U.S. President that "Moscow should change its attitude to the Baltic republics". In his opinion, the Baltic republics' main task remains the same—"to maintain the Baltic problems at the international level."

Prayers Held in Moscow

LD3007203291 Moscow TASS in English 1843 GMT 30 Jul 91

[By correspondents Anna Grigoryeva and Aleksandras Budris:]

[Text] Moscow July 30 TASS—Christians of various denominations from the Soviet Union on Tuesday gathered in the Church of the Glorious Resurrection in the centre of Moscow to pray for the success of the U.S.-Soviet summit meeting in Moscow.

The event is being attended by a delegation of the National Council of the Churches of Christ in the United States, including its President Archpriest Leonid Kishkovskiy, his colleagues Pastors Bruce Rigdon, Martin Bailey and Newton Turber. Pastor Vitaliy Kulikov represented the Union of Evangelical Christian Baptists.

Metropolitan Pitirim of Volokolamsk and Yuryevsk, a member of the Russian Orthodox Church synod, called on participants to pray in order that "mutual and solid accord be established on earth".

Patriarch of Moscow and Russia Aleksiy II sent an address to participants, expressing concern for strengthening peace and mutual accord. The appeal was read out by Protopresbyter Vitaliy Borovoi, deputy chairman of the Moscow Patriarchate Foreign Church Relations Department.

"We ask most gracious God to give a blessing (?to our peoples) and peoples of all countries for moving towards the desired time when, as prophet Isaiah said, people 'shall beat their swords into plowshares, and their spears into pruninghooks: Nation shall not lift up sword against nation, neither shall they learn war any more'," the appeal says.

The gathering was addressed by Archpriest Dimitriy Samazbegishvili, a representative of the Georgian Orthodox Church, and representative of the Consistory of the Lithuanian Evangelical- Lutheran Church Jonas Klemanas.

A church choir sang old religious chants in Russian, English, Greek and Latin.

The prayer will resume on July 31.

Second Day of Summit Continues 31 July

Program of Events Noted

LD3007221791 Moscow Radio Rossii Network in Russian 2000 GMT 30 Jul 91

[Text] Tomorrow—I want to remind you once more—starts at 0810 [0510 GMT]. That's when Bush and all the officials with him will lay a wreath on the tomb of the unknown soldier. And then the two couples, the Gorbachevs and the Bushes, will spend several hours in Novo-ogarevo.

The main event of the visit, the signing of the agreement on the reduction of strategic weapons, will take place at 1530 [1230 GMT] in the Kremlin's Vladimirskiy Zal.

In the evening, the USSR and U.S. Presidents, Gorbachev and Bush, will give a press conference.

On Russia's Radio, we will try to tell you about all this, even in detail.

Bush Meets Businessmen

LD3107075991 Moscow All-Union Radio Mayak Network in Russian 0730 GMT 31 Jul 91

[Text] George Bush, U.S. President who is in the USSR on an official visit, laid a wreath this morning at the tomb of the unknown soldier near the Kremlin wall.

The U.S. President began the second day of his official visit to the USSR with a working luncheon with representatives of Soviet business circles.

The particular attention which the U.S. President has devoted to representatives of the Soviet business world is not accidental.

As George Bush stressed yesterday in his address to the Soviet public, the process of the normalization of economic relations between the two countries has been completed almost entirely. The president added that the Soviet Union should become a participant in the world economy with full rights and promised the support of the United States that question.

This afternoon, in the Vladimir Hall of the Grand Kremlin Palace, USSR President Mikhail Gorbachev, and U.S. President George Bush, will sign a strategic offensive arms treaty. Thus, the over 10-year process of seeking for mutually acceptable ways for lowering the most dangerous confrontation between the two superpowers, which was filled with drama and contradictions, will be put to an end.

Further on Meeting

LD3107081691 Moscow TASS in English 0609 GMT 31 Jul 91

[By diplomatic correspondents Lyudmila Aleksandrova and Aleksandr Minayev]

[Text] Moscow July 31 TASS—As founder and former director of an oil company, U.S. President George Bush did not lose interest in businessmen and started the second day of his official visit to the USSR by inviting representatives of Soviet business circles to a working breakfast.

The meeting, held at Soviet-U.S. hotel "Slavyansky-Radisson" in downtown Moscow, is attended by managers of major state enterprises and associations, representatives of new sectors—joint-stock societies, joint ventures, and "independent businessmen". In this sense the working breakfast set a kind of precedent.

It is not accidental that the U.S. President shows special attention to representatives of the Soviet business community. Bush told the Soviet public on Tuesday that the process of normalisation of economic relations between

the two countries had been nearly completed. The President added that the Soviet Union "should become a full participant in the global economy" and pledged American assistance.

However the situation in the field of Soviet-U.S. economic relations can hardly be described as satisfactory. Trade volume between the two countries with the world's largest gross national products is less than five billion dollars a year. The USSR accounts for only 0.5 percent of the U.S. trade turnover, while only one percent of Soviet trade is with the U.S. Out of 2,905 joint ventures registered in the USSR by the beginning of this (?year) there were 375 Soviet-American ventures.

The reasons are many: Soviet failure to get Most Favoured Nation status in trade with the U.S., which is enjoyed by more than 100 states, problems of trade, primarily limited by deliveries of raw materials and fertilizers to the USA and grain to the Soviet Union, the structural underdevelopment of the Soviet economy marked by increasing technological backwardness.

Bush's decision to pay special attention to representatives of the Soviet business community, who are important for the success of economic reform in the USSR, signifies a change in priorities in the Soviet-U.S. negotiating process from the predominantly military- political sphere into the field of normal cooperation.

United States 'Ready to Help'

LD3107082491 Moscow TASS in English 0751 GMT 31 Jul 91

[by diplomatic correspondents Lyudmila Aleksandrova and Aleksander Minayev]

[Text] Moscow July 31 TASS—As founder and former director of an oil company, U.S. President George Bush did not lose interest in businessmen and started the second day of his official visit to the USSR by inviting representatives of Soviet business circles to a working breakfast.

U.S. Ambassador to the Soviet Union Jack Matlock made opening remarks at the meeting.

Addressing businessmen, President Bush stressed that "Russian values and traditions are compatible with free enterprise and should be preserved."

"You understand that opportunity arises when people act freely, relying on their own talents," he said.

"Government does have legitimate responsibilities—such as enforcing contacts, protecting property rights, and providing the boundaries of acceptable business behaviour.

"Government must establish rules of fair play—a level playing field—that builds trust and stability.

"Once established in the Soviet Union, the rule of law will further attract foreign know-how and investment," Bush noted.

"The United States stands ready to help. We are going beyond loans and subsides: We are offering our best expertise.

"We endorsed last year Soviet observership in the GATT, to help establish normal relations with the trading nations of the world," the President pointed out.

"When I return to Washington, I'll be submitting the U.S.-Soviet trade agreement to congress for approval: we will seek Most Favoured Nation status for the Soviet Union: I'll ask that certain restrictions be lifted so that American businesses can better compete for export sales here," Bush said.

More than 150 managers and business representatives from both state and private enterprises gathered at the newly-opened Radisson-Slavyanskaya hotel in central Moscow for the precedent-setting event.

George Bush's decision to address Soviet business representatives, holding the key to Soviet economic reforms, signifies a shift in Soviet-U.S. negotiations from the military- political sphere to normal cooperation.

Talks Begin at Novo-Ogarevo

LD3107082991 Moscow TASS in English 0813 GMT 31 Jul 91

[By diplomatic correspondents]

[Text] Moscow July 31 TASS—Presidents Mikhail Gorbachev and George Bush began talks in the official residence of Novo-Ogarevo, Moscow region, today. Taking part in the talks conducted within a narrow framework are Aleksandr Bessmertnykh, Anatoly Chernyayev and Aleksey Obukhov from the Soviet side and James Baker, Brent Scowcroft and John Sununu from the American side.

The countryside retreat has become in recent months a symbol of the renewal of the Soviet Union's state structure. Its name was firmly established in the political lexicon last April when the Soviet president and the leaders of nine union republics signed a joint statement that came to be known under the title of "Nine Plus One".

The agreement marked the transition from acute confrontation between the republic leaders and the central government to a constructive dialogue and concerted search for ways to break out of crisis.

Gorbachev and republic leaders decided to speed up the drafting and signing of a new treaty of union that would transform the USSR from a unitary state into a more flexible and looser federation.

Following the first meeting in April, Novo-Ogarevo has become the venue for talks and consultations between

Gorbachev and republic leaders. In discussions that often went long into the night, they looked for ways to coordinate their mutual interests and work out a model of new relations between the centre and the republics.

In June, the draft Union treaty was sent for discussion to republic parliaments.

The text has been approved on the whole by the supreme soviets of eight republics. The Ukrainian parliament put off the discussion until September.

At the July 23 meeting in Novo-Ogarevo, Gorbachev announced that all differences had been settled on the whole and that the union treaty was ready for signing.

Official Visits Latvian Mission

OW3107073791 Moscow BALTFAX in English 1400 GMT 30 Jul 91

[Following item transmitted via KYODO]

[Text] The special representative of the U.S. President George Bush, the Board leader of the State Department Alexander Vershbow visited Latvia's Mission in Moscow. He met the Latvian Mission's leader Janis Peters and told that in the program which the U.S. President George Bush would propose to the Soviet President M. Gorbachev "the particular status" of Latvia, Lithuania and Estonia would be specified.

The regular representative of Latvia in Moscow J. Peters in his interview to Latvian Radio spoke out that it would mean that the technological aid proposed by the USA would not be assigned to the USSR at whole but there would be part of it specially assigned for the Baltic republics.

J. Peters also said that in his opinion the visit of Vershbow to Latvia's Mission may be considered as "a part of the U.S. President visit to the USSR."

A representative of the Latvia's Mission press centre informed a "Baltfax" correspondent about some details of the American leadership's position, expressed by A. Vershbow. So from $15 billion assigned to the USSR for its technological reconstruction the half should be passed to Latvia, Lithuania, and Estonia. The Baltic republics will receive the particular Most Favored Nation trading status but only when there are concrete results in the talks with the Soviet Union, allowing to speak about real restoring of their independence. Besides the goods exported from the Baltic republics should be specially counted up and marked separately, for example, "Made in Estonia", etc. The last step together with the aimed aid presentation may widen the sale of Baltic goods in American market.

START Treaty Signed

LD3107131491 Moscow TASS in English 1246 GMT 31 Jul 91

[By diplomatic correspondent Lyudmila Aleksandrova]

[Text] Moscow July 31 TASS—St. Vladimir's Hall of the Grand Kremlin Palace today witnessed another historic event—the signing of the Soviet-American treaty on the reduction of strategic offensive armaments (START).

The treaty was signed by U.S. President George Bush and Soviet President Mikhail Gorbachev in a ceremony attended by about one hundred representatives from both sides.

Observers point out that the START Treaty marks an important stage in lowering the risk of nuclear war. Its implementation would break for the first time in history the persistent trend towards a strategic arms buildup and considerably reduce the level of military confrontation between the two nuclear superpowers.

Under the strategic arms reduction treaty, the USSR and the United States will cut their inter-continental land-based ballistic missiles (ICBM), submarine-launched ballistic missiles (SLBM), heavy bombers and corresponding nuclear warheads during the period of seven years after it goes into effect.

By the end of the seven-year period, each side will have not more than 1,600 ICBMs, SLBMs and heavy bombers combined and 6,000 warheads. The treaty envisages numerous bans restricting the perfection of strategic offensive armaments.

The treaty will remain in force for 15 years and can be extended for subsequent five-year periods unless it is replaced with a new agreement.

In the opinion of Col.-Gen. Bronislav Omelichev, first deputy chief of the General Staff of the USSR Armed Forces, the implementation of the treaty "will help strengthen strategic stability and thus diminish the risk of nuclear conflict."

Press Chief Cites Difficulties

LD3107083591 Moscow TASS in English 0826 GMT 31 Jul 91

[By correspondent Aleksey Agureyev]

[Text] Moscow July 31 TASS—"The press centre for the G-7 meeting in London was set up over six months, whereas we had only a week's time to prepare everything necessary for the work of Soviet and foreign journalists covering the summit", Vladimir Vartanov, head of the staff for the setting up of the press centre for the summit at the Centre of the International Trade, told TASS.

He said that this complicated task had been coped with due to effective work of experienced specialists, around-the-clock work schedule, the efforts of 120 operators of the technical service and more than 200 staffers of auxiliary services.

"We have no complaints so far, although we are hard pressed at times. We lack essentials quite often. There was not enough desks for reporters, and they "borrowed" them from one another, so we found it difficult to establish which of television companies and news agencies were lacking them", Vartanov said with a smile.

Despite all the difficulties which he openly admitted the press center is functioning effectively.

General Powell Tours Training Center

OW3107024491 Moscow Central Television First Program and Orbita Networks in Russian 0930 GMT 30 Jul 91

[Video report by L. Stroykov; from the "Vremya" newscast]

[Text] General Colin Powell, chairman of the U.S. Armed Forces Joint Chiefs of Staff, visited the Far East during his official visit to our country.

[Begin recording] [Stroykov] It was an event that was inconceivable until recently: American military specialists in the training center of the Red Banner Far East Military District. Displayed was what the Army has at its disposal as well as how it conducts its training.

Not only visitors from the United States were here today; a group of Japanese parliamentarians headed by Mr. Watanabe, a contender for the position of prime minister of Japan, were also interested in the military skills of their geographic neighbors.

U.S. and Japanese journalists were at the range, which is not easy to visit even for Soviet citizens. Reasonable openness in the military sphere confirms the stability of the positive processes taking place in major politics. The concentration of modern aviation and ground equipment, and the power of air and ground strikes, may be astonishing to some but did not intimidate anybody here today. Today the professionals are sharing their experience.

[Powell, in English fading into Russian translation by Stroykov] I am a general like my friend Moiseyev, and our tasks are clear. President Gorbachev and President Bush have directed us to facilitate more intensive and closer cooperation so that we could talk and rub shoulders on topics of interest. I think this will help improve the political climate and make military relations more stable, more favorable, and warmer. This is only a part of the political, economic, and cultural exchanges, but it is a part of the general positive process that is developing today between our countries and our people.

[Moiseyev] This is a time when we have taken down the iron curtain and strive to really understand one another. But the most important thing is for our peoples to understand that today the military is applying maximum efforts in the struggle for peace. [end recording]

Northeast Asia

DPRK Statement on Nuclear Issues Discussed

SK3107102091 Moscow Radio Moscow in Korean 1100 GMT 30 Jul 91

[Text] The DPRK put forward a new proposal for converting the Korean Peninsula into a nuclear-free zone.

Let us see how station commentator (Yevgeny Kristin) sees it:

Not only is the DPRK Government's proposal something that is already been known, but it also contains some new elements such as a (?timetable) for the creation of the nuclear-free zone, its verification, and guarantees.

For example, the proposal envisions that the North and South of the Korean Peninsula reach an agreement on the creation of a nuclear-free zone before the end of 1992. The joint declaration that the two sides are expected to sign will ban the two states from possessing nuclear weapons, from testing them, from producing them, or from deploying them in the nuclear-free zone, or from transporting the nuclear weapons through the nuclear-free zone, as well as from conducting military exercises relative to this.

According to the proposal, the issue of verification has been raised. It has also been proposed that the United States, the Soviet Union, and China become the coordinating countries regarding the nuclear-free zone. These countries should uproot all the elements that run counter to the purpose of the nuclear-free zone within the period of one year from the date the zone is declared, without fail.

In my personal view, the DPRK's proposal is worth paying (?great) attention to in view of the developing situation on the Korean Peninsula and in the still broader view.

The realization of the proposal will ease the situation in the region that has been regarded as the most tense region in the world.

On many occasions the DPRK Government has stated that U.S. nuclear weapons deployed in South Korea pose a threat to the Korean people.

Meanwhile, the United States has on many occasions expressed concern about Pyongyang's nuclear programs. In these circumstances, the creation of a nuclear-free zone will dissipate the existing qualms and doubts and ease the situation.

There is no need to talk about the fact that the proposal will have influence in talks between the North and South.

Not only do nuclear-free zones exist, but they have spread far into other areas. The Antarctic has been declared a nuclear-free zone. [name indistinct] Treaty has seen the firm establishment of a nuclear-free zone in Latin America. Thirteen countries in the South Pacific region, the signatories to the (Larotonga) Treaty, have also agreed to ban the deployment, invention, production, and purchase of nuclear weapons in their nuclear-free zone.

I believe that a nuclear-free zone is the most desirable and satisfactory means to curb the proliferation of nuclear weapons. In this context, the creation of a nuclear-free zone will prop up the effort of the major powers to reduce and abolish nuclear weapons.

Report Says Japanese Fear of U.S. Increasing

LD3007211291 Moscow TASS in English 2001 GMT 30 Jul 91

[By correspondent Vyacheslav Bantin]

[Text] Tokyo July 30 TASS—People in Japan, who have been fearing "the threat from the north" most of (?them) are now convinced that the United States poses as equal threat to their country.

Such a cardinal change in the country's public opinion has been evidenced by the findings of an opinion poll taken in mid-July by the JIJI TSUSHIN news agency, an agency spokesman told TASS on Tuesday.

The poll has shown that 19 per cent of Japanese people believe that a threat to Japan on the part of foreign countries is a real fact. Out of the number, 38.3 per cent said the Japanese should fear primarily the Soviet Union, and 37.9 per cent consider the United States the main threat, as against 46.9 and 37 per cent, respectively, recorded during the previous opinion poll taken in March.

In 1986, according to the then opinion poll taken by JIJI TSUSHIN the percentage to this effect was 75,6 and 15.4 per cent respectively.

USSR Opens Stock Exchanges in Asia

LD3007182791 Moscow Radio Moscow World Service in English 1200 GMT 30 Jul 91

[Text] the Soviet Union's Asian Stock Exchange expects to open branches in Mongolia and China. Agreement has already been reached with the Mongolian Government. Talks are now underway with the Chinese administration.

On the domestic market, this stock exchange intends to carry out business transactions on a vast territory from the Urals to the Soviet Pacific coast. All in all, in a short period of time, when market relations have begun to be established here, the Soviet Union has set up 300 stock exchanges.

Near East & South Asia

Egyptian Envoy on Mideast, Economic Issues

91UF1017A Moscow RABOCHAYA TRIBUNA in Russian 23 Jul 91 p 3

[Interview with Egyptian Ambassador Ahmad Mahir al-Sayyid by Vladimir Mikhaylov on 22 July; place not given: "Sufficient Grounds for Optimism"]

[Text] *Today the Egyptian people commemorate their national holiday—1952 Revolution Day. The day before our special correspondent met with Ahmad Mahir al-Sayyid, ambassador extraordinary and plenipotentiary of the Arab Republic of Egypt in the USSR, and asked him to answer a few questions.*

[Mikhaylov] Mr Ambassador, tragic events have occurred in the Persian Gulf region. I refer to Iraq's aggression against Kuwait and the restoration of Kuwait's sovereignty which occurred at the beginning of this year with the aid of military operations by the Multinational Force. Could you, perhaps, describe the situation in the region which has taken shape since these events?

[Al-Sayyid] What happened in the Persian Gulf was monstrous. A big and powerful Arab country attacked its smallest brothers, occupied their land and tortured and killed people. But we are called upon not simply to affirm the fact of this tragedy but to draw conclusions from it also. These events should be a lesson both to us and to the world.

What are these conclusions? First, the world community demonstrated in the full concord between the two great powers that in the era of the new political thinking it does not accept aggression and does not intend to put up with it.

Second, the international community in our day has shown itself capable of joint and decisive action.

And, third, the two great powers demonstrated that they are able not to compete but to cooperate in the name of peace and justice.

Speaking of the lessons and conclusions, I had in mind the Near East situation also. After all, there also there is occupation and the flouting of the rights of a whole people—Palestinian—and an aspiration to peace. But we see here also, unfortunately, opponents of a peace settlement aspiring to expansion and domination of others' land. This is a dangerous position. Just as the international community confronted the aggression in the Persian Gulf, so should it also make every effort to establish lasting peace in our region and achieve a just solution of the Palestinian problem and a normalization of relations

between the Arab states and Israel. It is this to which Egypt constantly aspires. We feel that this is the position of the world community also. This, specifically, is noticeable in the increased activity of the Soviet Union and the United States aimed at a solution of the Near East problem.

Today we are healing the severe wounds inflicted by the war. At the same time the crisis has afforded a reason for optimism also: If the Arab world was able to survive such a catastrophe and handle it, it is perfectly capable of solving other important problems also. But provided there is unity not in word but in deed.

[Mikhaylov] During my assignment to Egypt last year I observed that our two countries have many similar problems. How is your country tackling them?

[Al-Sayyid] Truly, despite the considerable difference in both size of population and in area, we have quite a few identical problems, although their volume is different. Egypt began its perestroyka and economic reform earlier than the Soviet Union, possibly. Just as in the USSR the changes began with Mikhail Gorbachev's assumption of office, we connect our perestroyka with the name of our President Husni Mubarak. It was on his initiative that the new economic policy came to be implemented.

We faced enormous tasks: speeding up payment of the huge foreign debt, developing industry, increasing productivity, undertaking large-scale housing construction, and balancing the production of industrial and consumer goods.

The population in Egypt is growing rapidly, which also dictates a new economic policy. But in order not to lose the social gains it has been decided to implement the transformations gradually, without shock measures, observing the interests of all citizens. We understand full well that if we had delayed the economic reform, we would have had a further drop in the living standard of ordinary Egyptians, but, I repeat, haste here is impermissible also.

In the course of solving our problems we have, naturally, made mistakes also, but we have tried to rectify them as quickly as possible. Today, when the Egyptian debt has been reduced appreciably, production has been stimulated and exports have grown, we may already speak of certain successes. We have a market, and all commodities have a real price. As a result there has been an end almost to government subsidies, of which the poor saw practically nothing. On the contrary, subsidies, as a rule, lead merely to inflation.

In implementing our reform we have relied and rely now on cooperation with other states and the recommendations and assistance of international financial organizations. Inasmuch as the Soviet Union is also endeavoring to implement economic reform and has programs for its implementation, it is essential, I believe, that our countries exchange experience and information on this issue—there is much that we could learn from one another.

[Mikhaylov] Mr. Ambassador, Husni Mubarak, president of the Arab Republic of Egypt, visited the USSR last May. This was the first top-level meeting between the leaders of our country in 18 years. How do you evaluate today's relations between the USSR and Egypt? Are there any difficulties in their development?

[Al-Sayyid] President Husni Mubarak's visit was a notable event and reflected the results of the constant and unswerving development of friendly relations between our countries in recent years. Both presidents have similar views of international relations at the current stage and profess the new thinking based on equality, cooperation, and mutual interests. At the Moscow meeting both leaders exchanged opinions on the economic reforms in the USSR and Egypt and also spoke candidly about the problems being experienced by Egypt and the Soviet Union.

Top-level consultations and telephone conversations between the presidents have taken place regularly in the past almost 18 months, and special emissaries have been dispatched to Moscow and Cairo. We are seeing examples of successful cooperation in the settlement of crisis situations, in that same Persian Gulf, for example. Big efforts are being made currently for a solution of the Palestinian question.

An agreement was signed in the course of the visit on trade and economic cooperation through the end of the century. But there are problems also. As President M. Gorbachev observed, inasmuch as the administrative command system has become a thing of the past, relations need to be built on a qualitatively new level. But this is not that easy. Difficulties have arisen for the Soviet Union, for example, in commodity exchange with various countries—we see this in the example of relations with Finland and the East European states also.

But these problems are solvable. In my view, two main conditions are necessary for the more successful development of trade. First, economic independence for the Soviet republics, second, the same independence for organizations, establishments, and enterprises. Both already exist. But that trade and economic relations are insufficiently active, this is not surprising, it is natural: It is essential to build up experience for the organization of a new system of Soviet foreign trade.

We have what is most important: the mutual political aspiration to develop and strengthen our ties in all spheres.

[Mikhaylov] And the final question: You, Mr Ambassador, have worked in Moscow for three years now, and important changes have been occurring in our country before your eyes. What can you say about them?

[Al-Sayyid] As ambassador, I do not have the right to publicly discuss internal processes occurring in the country. But as an individual and citizen of a state which is friendly toward the Soviet people, I have to express my viewpoint. I see the most earnest desire of the Soviet leadership and people to implement profound reforms and take an important step forward on the path toward progress and increased well-being. Even if this requires certain sacrifices. The Soviet people have already sacrificed much in their history: to build a powerful industrial base, to repulse Nazi aggression, to render assistance to peoples of the "third world" who are struggling for their freedom. And I believe that they have merited the right to happiness and prosperity and a high living standard.

I now live in Moscow and am observing a most important period in the life of the Soviet Union and am seeing that people are most emphatically supporting reforms and perestroyka. And that there are certain disagreements on tactical matters is, in my opinion, a healthy phenomenon. It means that there is in the USSR in practice pluralism and democracy. I wholeheartedly wish Soviet people and the leadership the biggest successes in the accomplishment of great transformations.

[Mikhaylov] Thank you, Mr. Ambassador. Permit me on behalf of the readers of our newspaper to congratulate you and the Egyptian people on your great holiday and to wish friendly Egypt happiness and prosperity.

Significance of Velayati Islamabad Visit Noted

BK3007080191 Moscow Radio Moscow in Urdu 1200 GMT 29 Jul 91

[Commentary by Vasant Georgiyev]

[Text] Iranian Foreign Minister 'Ali Akbar Velayati has commenced his official visit to Islamabad. Our commentator Vasant Georgiyev writes in this connection:

As reported by THE MUSLIM, the main objective of this visit is to strengthen the efforts for a political solution to the Afghanistan problem. A desire toward this objective is becoming stronger in the two countries, which is undoubtedly due to the fact that the unresolved Afghanistan question has had an adverse effect on their socioeconomic fabric. First of all, this effect is felt in Iran and Pakistan by the presence of the millions of Afghan refugees. If the Afghanistan issue is not resolved, an early return of the refugees to their homes cannot be expected.

There is no doubt that views will be exchanged in Islamabad on the program for a political solution to the Afghanistan problem which was proposed by the UN Secretary General, Perez De Cuellar. Pakistan and Iran have supported the key elements of this program, including a cease-fire, rejection of arms supply to the parties at odds, and the formation of a coalition government. It is expected that during the Iranian foreign minister's talks with the Pakistani authorities, the question of the formation of a coalition government will receive foremost attention. It is really a pertinent issue. As per their current analysis, observers are of the opinion that the representatives of Afghanistan's Watan party, mujahidin commanders, and former officials of Afghan King Zahir Shah are likely to be included in such a coalition government once it is formed. THE NATION says some members of the Afghan opposition's so-called interim government will also get reasonable representation in the new government. But, the members of the hardline mojahedin group will not take part in it. It is clear that up to now, like the Kabul government, the Afghan opposition leaders have also not supported the UN peace program. This program will not be implemented.

It is expected that the talks between the foreign ministers of Iran and Pakistan will strengthen the efforts for a solution to the Afghanistan issue.

East Europe

CSCE Envoy Comments on Yugoslav Crisis

OW3107051391 Moscow INTERFAX in English 1400 GMT 30 Jul 91

[Report by M. Mayorov from the "Diplomatic Panorama" program; following item transmitted via KYODO]

[Text] The Soviet envoy at the CSCE senior officials committee sent a letter to the committee's chairman recently. The letter says that a mission of observers from the European Community set up in accordance with the joint statement adopted on the island of Brione on July 7 and a memorandum on understanding reached by spokesmen for the European Community with Yugoslavian government officials and representatives of Croatia and Slovenia on July 13 has been working in Yugoslavia since July 15.

The committee requested the observers mission to brief it on its work at the first opportunity. A supplement to the Brione statement says that the observers mission will file daily reports through the Prague-based CSCE Secretariat to the senior officials committee and that the committee could serve as an appropriate place for considering the work of the observers mission.

In the meantime the committee has received only one report on the work of the mission of EC observers. Under the circumstances the senior officials committee is actually deprived of the opportunity to perform the functions of a body designed to monitor the activity of the mission in Yugoslavia.

In order to contribute to the dialogue between the parties concerned, the committee of senior officials suggested that the CSCE should send a mission of good services at Yugoslavia's invitation. However these functions have actually been shouldered by representatives of "The

Three" who did a certain amount of positive work, but who nevertheless are not a CSCE mission as required by the recommendations.

The Soviet envoy notes in his letter that the situation in Yugoslavia becomes increasingly tense despite the CSCE's recommendations and measures. We believe that under the circumstances it's extremely important to make sure that the common stand of the CSCE member states expressed in the Berlin statement of the CSCE council of ministers should be adhered to in all its elements. This should include support for unity, democracy and territorial integrity in Yugoslavia and conditions for a peaceful dialogue, said the Soviet envoy in his letter.

Commentary on Visit by SFRY's Markovic

LD3107062391 Moscow Radio Moscow in Serbo-Croatian 2000 GMT 30 Jul 91

[Text] As we have already announced, SFRY Federal Executive Council President Ante Markovic will make a working visit to the Soviet Union, on 1-2 August this year, at the invitation of the USSR Cabinet of Ministers. Here is a commentary in connection with this by Aleksandr Gursyev:

[Gursyev) It is a question of a return visit. Soviet Prime Minister Valentin Pavlov visited Yugoslavia in the first half of June. Let us recall briefly what they discussed in their talks in Belgrade: above all, naturally, economic cooperation between the two countries. The prime ministers talked about what was hindering development, and they naturally mentioned the uncomfortable thing for both sides—the Soviet debt to Yugoslavia. The two prime ministers did not bypass the situations in our two countries either, which are, in many ways, similar. Only one and a half months passed since the visit of Valentin Pavlov to Yugoslavia, but many events have occurred in this short time. Armed conflicts in Slovenia, between the Slovene territorial defense and the Yugoslav People's Army; combat activities between the forces of the Croatian Ministry of Internal Affairs and the Serbian population in this republic, simply the general Yugoslav situation. One does not have to be a prophet to assume that the latest events in the SFRY will certainly be discussed during the negotiations of the Soviet leadership with Ante Markovic.

(?Our countries) are following the development of events in Yugoslavia with great concern and anxiety. We are especially sensitive to everything that is happening there, Soviet President Mikhail Gorbachev stressed at a news conference. We work using all our reputation and our presence in all international mechanisms, our very close links with the peoples of Yugoslavia, so that the problems that have arisen, could be solved within the democratic frameworks. In order for the Yugoslav people to solve this situation themselves, we are prepared, Mikhail Gorbachev said, to offer political favors, when the state, in this case the Yugoslav Government, asks us to.

The visit by Ante Markovic is imminent, brief, and working. The foreign media are especially emphasising this last characteristic, drawing attention to the fact that the visit by the SFRY FEC president coincides with the visit by U.S. President George Bush to the Soviet Union. According to many foreign political observers, during the Soviet-U.S. negotiations, a joint stand of the two countries on ending the bloodshed in Yugoslavia might be coordinated. The Belgrade policy points to this as well, among other things. We will find out if these assumptions are true in a few days.

Further on Visit

OW3107060391 Moscow INTERFAX in English 1400 GMT 30 Jul 91

[Report by M. Mayorov from the "Diplomatic Panorama" program; following item transmitted via KYODO]

[Text] Yugoslavia's prime minister A. Markovic will pay a working visit to the USSR on Thursday and Friday. He was invited by the Soviet council of ministers. As DP's [diplomatic panorama] correspondent learned at the foreign ministry's 3rd European department, it's a return visit. Previously the Soviet prime minister V. Pavlov visited Yugoslavia. however this time the talks will involve not only bilateral economic ties, but also political affairs, considering the current situation in Yugoslavia.

A. Markovic is expected to be received by President M. Gorbachev. Besides, he'll confer with V. Pavlov and leaders of the Russian Federation. The Soviet foreign ministry attaches great importance to the upcoming visit in view of the need to continue its political dialogue with Yugoslavia. When the present crisis developed in Yugoslavia, a special envoy of the Soviet President, first deputy foreign minister Yuliy Kvitsinskiy, went there. At the conference of senior officials from the countries involved in the Conference on Security and Cooperation in Europe (CSCE) held in Prague recently the Soviet Union took an active stand with a view to settling the conflict in Yugoslavia by peaceful means.

Need For More Compromise on Polish Pullout Seen

PM3007104591 Moscow KRASNAYA ZVEZDA in Russian 26 Jul 91 First Edition p 1

[Interview with V. Kopteltsev, deputy chief of a USSR Foreign Ministry administration, by Captain A. Maksimchuk; first paragraph is editorial introduction: "Light at the End of the Tunnel"]

[Text] The latest round of bilateral intergovernmental talks on the preparation of a treaty on the withdrawal of Soviet troops from the territory of the Republic of Poland began in Moscow 23 July. The day before, our stringer met with Soviet delegation head V. Kopteltsev, deputy chief of a USSR Foreign Ministry administration.

[Maksimchuk] Valentin Alekseyevich, following the discussion of constructive proposals by both sides at the previous round of talks there was hope that progress would be made....

[Kopteltsev] We have reason to believe that the Polish side is displaying more constructive thinking and a willingness for compromise. Of course, much will depend on future talks, on agreeing the details of the compromises on the main questions—the timeframe for the withdrawal and the solution of property and financial problems. Nonetheless, all in all one can say that the atmosphere at the talks has improved somewhat and has ceased to be depressing and, you might say, hopeless.

In the previous round we examined compromise solutions on the timeframe for the withdrawal of Soviet troops from Polish territory. Recently both we and the Polish side have displayed a desire to find mutual understanding on this. It is aided, in our view, by certain changes in the mood of the Polish public, which were apparent during Polish Foreign Minister K. Skubiszewski's speech in parliament. On that day many parliamentarians stressed the need for sincere, good-neighborly relations between Poland and the Soviet Union.

So I think it will be possible to agree on the withdrawal timeframe in the very near future. This will entail the settlement of the main questions of the treaty on the withdrawal of Soviet troops from the territory of Poland, in particular property and financial questions and the question of passage through Poland for our units from Germany.

[Maksimchuk] There is a fear among a large number of servicemen that they will again be victims of hasty decisions, mainly by personnel of our Foreign Ministry, at the talks with Poland on the withdrawl of our troops, as they were when the treaties with Hungary and Czechoslovakia were concluded. What do you think about this?

[Kopteltsev] I want to stress that servicemen of the Northern Group of Forces should have no cause for concern when it comes to the preparation of the treaty on the withdrawal of Soviet troops from Poland. Believe me, the interests of the country and the people, including regular soldiers, are as dear to us professional diplomats as our own interests. The interests of our state, including the Army, will be properly safeguarded.

[Maksimchuk] Valentin Alekseyevich, has progress been made in tackling property and financial matters?

[Kopteltsev] Some progress has been made. The Polish side is with us in principle. It is putting forward reasonably acceptable terms for the sale of movable property and real estate. But the Polish side is also making counterclaims. Primarily connected with ecology, with damage to the environment allegedly caused while the Northern Group of Forces has been in Poland. There is also the question of repairs to rented facilities, which we have to hand back to the Poles in more or less decent condition.

We have to reach agreement om property and financial matters, there is no getting away from it. Because it is of advantage both to us and to the peoples that the withdrawal of troops and the solution of related issues take place in conditions of real agreement and in a decent manner. Not in conditions of anarchy. Whenever one person tries to take something from another person, both sides suffer.

I am convinced that our delegations will come to mutual agreement, the treaty will be signed, and we will succeed in safeguarding the interests of the Soviet and Polish sides. But this can only be done via constructive dialogue and a willingness to compromise.

West Europe

Britain's Chancellor of Exchequer Due in Moscow

OW2907060391 Moscow INTERFAX in English 1800 GMT 26 Jul 91

[From the "Diplomatic Panorama" feature compiled by P. Vasiliyev, M. Mayorov and I. Porshnev, diplomatic correspondents; transmitted via KYODO]

[Text] The British Chancellor of the Exchequer, Mr Norman Lamont, will probably arrive in Moscow next Wednesday though no decision on the date of his visit has been taken by the Soviet side yet. The visit scheduled until August 4 comes as part of the agreements reached during Mr. Gorbachev's recent talks with G-7 leaders in London.

Soviet diplomats in Moscow said the agenda of Mr. Lamont's talks in the Soviet capital would not be limited to bilateral relations alone. The question of creating a mechanism for cooperation between G-7 nations and the Soviet Union will also come under discussion. Since Mr. Lamont's role is to coordinate effort by G-7 countries and the Soviet Union, he will be meeting with the deputy prime minister, Mr. Shcherbakov, and other Soviet officials. But further details of his visit will not be known until later.

Lukyanov Meets With Greece's Mitsotakis

PM2907142791 Moscow IZVESTIYA in Russian 24 Jul 91 Union Edition p 5

[TASS report: "A.I. Lukyanov's Talk with K. Mitsotakis"]

[Text] A meeting was held 23 July between A.I. Lukyanov, chairman of the USSR Supreme Soviet, and Prime Minister K. Mitsotakis of Greece, who is in the USSR on an official visit.

During their talk, which passed in a friendly atmosphere, the most important aspects of Soviet-Greek relations were touched upon, including the positive experience of parliamentary exchanges between the USSR and Greece.

The head of the Greek Government was briefed on the work of the USSR Supreme Soviet to enshrine the country's sociopolitical and economic transformations in law and with progress in drafting the Union Treaty. Emphasizing his sincere interest in the transformation processes in the Soviet Union, the Greek prime minister noted that without their success the creation of the new civilized world order and the achievement of lasting international peace and stability are impossible.

The talk was attended by the officials accompanying K. Mitsotakis on his tour of the USSR.

Lukyanov Visits Switzerland for 700th Anniversary

Arrives in Switzerland

LD3007195891 Moscow TASS in English 1210 GMT 30 Jul 91

[By Yevgeniy Kozlov]

[Text] Bern July 30 TASS—Soviet parliament chairman Anatoliy Lukyanov arrived in Switzerland today for celebrations of its 700th anniversary.

He was invited by the Swiss parliament.

At the airport in Zurich, Lukyanov was welcomed by Soviet Ambassador Zinayda Novozhilova and Soviet Permanent Representative in Geneva Yevgeniy Makeyev.

Lukyanov will take part in official celebrations, hold talks with parliament speakers from several European countries and meet Swiss state and political figures and business representatives.

Attends Swiss Anniversary

LD3007224491 Moscow Central Television First Program Network in Russian 2102 GMT 30 Jul 91

[From the "Television News Service" program]

[Text] Switzerland's achievements and stability are to a large extent a result of its strong federal basis and of the democratic institutions of its state. Its instructive experience arouses interest throughout the world, therefore, the celebration of the 700th aniversary of the Swiss Confederation is a noteworthy international event. Delegations from many European states have arrived in Bern to take part in these celebrations.

Anatoliy Ivanovich Lukyanov, chairman of the USSR Supreme Soviet, arrived here today at the invitation of the Federal Assembly of Switzerland. Good relations have long existed between our countries. In Bern today a meeting took place between Comrade Lukyanov and Ulrich Bremi, chairman of the Swiss Federal Assembly, and Arthur Haensenberger, chairman of the Council of Cantons. They shared their thoughts on the structure of the Swiss Confederation and the functioning of the voluntary union of cantons. Anatoliy Ivanovich Lukyanov told his interlocutors about the situation in the USSR, about the work to create our renewed federation and about the Soviet leadership's firm course toward integration in the world economy. [video shows Lukyanov meeting Swiss officials]

UK's Finance Minister To Collect Information

OW3107044691 Moscow INTERFAX in English 1400 GMT 30 Jul 91

[By M. Mayorov from the "Diplomatic Panorama" program; transmitted via KYODO]

[Text] On Wednesday the 31st Britain's finance minister Norman Lamont is beginning his visit to the USSR which will continue till August 4. His visit is connected with agreements reached during the London meeting of G-7 with the USSR President M. Gorbachev. Though the program for the stay of Britain's Chancellor of the Exchequer is not finalized yet, Soviet foreign ministry officials told DP's correspondent that he is expected to meet with Prime Minister V. Pavlov, with the finance minister, with the chairman of the State Bank and with spokesmen for the business world and new economic structures.

After his talks in Moscow where he will also confer with the leaders of the Russian Federation Norman Lamont intends to go to Kiev and continue his contacts there. His visit is aimed at supplementing the data on the state the Soviet economy is in available to the finance ministers of G-7. When he briefs his G-7 counterparts on the results of his trip, they'll work out concrete recommendations as to the ways to implement agreements reached in London.

Political & Social

Gorbachev Meeting With Workers, Peasants Reported

PM3007205591 Moscow SELSKAYA ZHIZN in Russian 31 Jul 91 pp 1-2

[Report by Viktor Andriyanov, Oleg Kulish, and Vadim Raskin on M.S. Gorbachev meeting on 26 July, after the CPSU Central Committee Plenum, with worker and peasant members of the party Central Committee and Central Control Commission: "On the Main Point: Comradely, Frank Discussion Between the Country's Leaders and Representatives of Labor Collectives"]

[Text] As has already been reported in the press, on 26 July, after the end of the CPSU Central Committee Plenum, M.S. Gorbachev, president of the USSR and general secretary of the CPSU Central Committee, met with workers and peasants who are members of the party Central Committee and Central Control Commission. The comradely, frank discussion and collective consultation on the state of affairs in the country, society, and the party lasted nearly three hours. Driver and cotton grower, team leader and milling machine operator, tractor driver and miner—they represent not only party organizations, but also labor collectives in all regions of the country.

The workers and peasants brought to this meeting, out of the very midst of life, people's concerns and anxieties, proposals which, in their opinion, could protect the working person in our highly complex times. The answers to the questions they raised are awaited at plants and factories, kolkhozes and sovkhozes.

Along with Mikhail Sergeyevich, USSR Supreme Soviet Chairman A.I. Lukyanov and USSR Prime Minister V.S. Pavlov also answered questions. SELSKAYA ZHIZN today offers for its readers' attention part of the stenographic record of this action-packed meeting.

Have You Taken Anyone To Task, Mikhail Sergeyevich?

M. Gorbachev: Let me begin by asking you a question. You took part in the Plenum, you argued, listened, applauded here, shouted there, voted "for" and "against." So what is your general impression of the results of the Plenum? What worries you at the moment, as workers and peasants?

V. Savchenko, weaver at the Darnitskiy Silk Combine, Kiev. Today and yesterday we were discussing the draft CPSU Program. It would be a very good thing if it became the basis for rallying all constructive forces in society. When we start discussing the draft back home, we intend to hold an open party meeting and invite all comers. After all, people in the labor collective, both Communists and nonmembers of the party, are very concerned about the party's position. And a lot depends on how the workers receive our Program.

V. Grigoryev, diesel locomotive engineer at the Daugavpils Locomotive Depot on the Baltic Railroad: The Plenum created a generally good impression, for the first time in a long time the speeches were businesslike on the whole. And the main thing is the general atmosphere of consensus.

About the RSFSR [Russian Soviet Federated Socialist Republic] President's Decree on Departyization. It will hit hard at the primary organizations in Russia, and will have repercussions in other republics too. But I am sure that, given support from the USSR president and central organs, the primary organizations in the labor collectives will not be broken, and the party organizations will stand firm.

L. Tsybikzhapova, chairman of the "Kommunizm" Kolkhoz, Buryat ASSR [Autonomous Soviet Socialist Republic]: Mikhail Sergeyevich, again and again at plenums I have heard people "laying into" you, constantly berating you, calling you all kinds of names. But have you yourself taken our high-ranking party and state leaders to task about results? If the people's confidence is exhausted, you can't win it back by any means, whether shock tactics or gradual measures.

A. Galkin, driver on the Kustanay Motor Transport Production Association's No. 2556 Truck Column: I want to come back to what the engineer Grigoryev said. How are we to understand Yeltsin's Decree on Departyization in the Russian Federation? What's the problem, are the Communists going against the state program? Where have you seen that happening?! Party committees have always helped to realize that program. And they have upheld the people's interests, the collective's interests. And now they find wreckers among us! And look who they are! Party members who always work unstintingly themselves and call on others to do the same!

Which elements of the workers do we try to select to join the party? The leading, conscious working class. So why do various kinds of "independent" publications, and sometimes even party newspapers, publish what are frankly insults against us, giving space to people who say that the CPSU has reduced the country to poverty? Excuse me, but I used to spend days on end down the mine when I worked there, and now I never leave the combines. In Kazakhstan this is a busy time—the harvest, it's always raining, whenever a window opens in the weather we don't shut our eyes for three or four days in succession. And now I've reduced the country to poverty! Maybe that accounts for the great exodus of workers from the party, because they are insulted without justification, because their dignity is wounded?.. Both as working people and as Communists.

M. Gorbachev: I think Comrade Galkin put it well. It is necessary clearly to define everyone's responsibility. And that should be the task of our press, and it must be done in all our party press, so as to salvage a generation of Communists, those who worked and fought selflessly, giving blood and sweat and even their lives to help their

country. They grudged the Fatherland nothing. And they should not be accountable for mistakes associated with the activity of particular leaders.

What Lies Ahead?

V. Markovskiy, metal worker at the Vitebsk Kirov Plant: How did the Plenum go? Yes, it was well organized, there were constructive speeches. But we are going home, and people will ask us: What lies ahead? And not only in the political sphere, but at an elementary level—how are people to live, and what on?

And what does lie ahead for us? Free prices? Boris Nikolayevich Yeltsin has signed off on an increase in the miners' wages. At the same time he gave permission for 20 percent of their output to be sold at free prices, and 100 percent next year.

The Communists ask us: "Do you know what that could lead to? Can you do anything about it?" This concern is justified: The price of coal, oil, gas will go up, so tomorrow the price of electricity will go up, and food prices will rise. You could increase our wages 20-fold—we will never catch up with those prices.

And believe me, in the next elections people will vote for whoever promises: "I will repeal all that." And no one will look to see: What party is he from? And no one will wonder: Can that promise be fulfilled? But you cannot live that way. You have to state clearly: We are against frantic price rises. They do nothing for the workers. They play into the hands of those people who always have had money, they are the gainers today: Now they are beginning to buy everything up legally.

As a city soviet deputy and chairman of the city soviet standing commission on trade, I see what is happening. The collective of a store, for instance, says to us: We want to buy the store, and be collectively responsible. We agree to it. And then a directive comes from the Belorussian SSR [Soviet Socialist Republic] Council of Ministers, and bans the sale of property for collective ownership—it can only go into private hands.

A. Lukyanov: Really, comrades, you should know this. The worker deputies on the Supreme Soviet showed such persistence and such self-possession that they virtually wrote into the Law that any decision on privatization or on changing the forms of destatization now involves a decision by the collective.

True, a small loophole remains. For instance, the trade sector does not want to be privatized, they either want to sell the store to a private owner, like you were telling us here, or else to trade in the same way as now. It doesn't worry them, after all, the money is coming in. In cases like this the state could act, by privatizing.

The agenda for the USSR Supreme Soviet session due to meet in September includes a law that will make it possible to privatize anything only on a decision of the collective. That is how the workers saw things.

K. Nikolayev, bulldozer operator with the "Mosstroymekhanizatsiya" Trust No. 3: There are a lot of loopholes. So each enterprise finds its own way and becomes the lord and master of the fixed capital, apparently with the collectives' consent. Therefore, unless the law stipulates a secret ballot of the entire collective—the collective, let me emphasize—they will always find a way of deceiving the collective...

A. Lukyanov: A secret ballot is stipulated according to the proposal of the trade unions and worker deputies.

M. Gorbachev: The Supreme Soviet showed great persistence, and as a result two approaches were combined. Namely: The sale of a certain proportion of property is possible, but in the main the collectives will decide for themselves. In short, the collectives have the decisive role.

M. Chertayev, chairman of the "Ordzhonikidze" Kolkhoz, Dagestan SSR [Soviet Socialist Republic]: I want to tell you what really worries me. How can we destroy the totalitarian, command, administrative system fast? To get rid of it, you need to take one step, just one step—gather each collective together and say: As of today, in this collective, hired labor is abolished, and everyone is entitled to sell not his labor, but the results of his labor. The principle of reverse dependence must be implemented, whereby enterprise directors, team leaders and accountants, and all the structures form their income on the basis of percentage deductions from the incomes of the actual commodity producers.

How Are We To Make The Transition To The Market?

S. Goibnazarova, chairman of the Kuybyshevskiy Raykom [rayon committee] of the agro-industrial association workers trade union, Kurgan-Tyube Oblast, Tajik SSR: I like the frank way people are talking here. Mikhail Sergeyevich, I will tell you about our peasants' grievances. How much talk can there be about the prices of agricultural machinery? About purchase prices for agricultural products. There is plenty of talk. But, esteemed Mikhail Sergeyevich, we have not yet seen any decisions in favor of the peasant.

Another problem—the 60 rubles [R] compensation. There was plenty of publicity about that. They paid it for one month. Then what? On our kolkhozes and sovkhozes, an irrigation worker used to get R140 on average, now he still gets R140, including the compensation. And people are asking: Where's my money, where's the compensation? The peasant has been let down.

M. Gorbachev: Let's talk about it. Should I answer straight away, or does someone else want to say more about the problems of rural working people and workers?

From the auditorium: Mikhail Sergeyevich, how much time have we got?

M. Gorbachev: As long as it takes. We are here to voice all the urgent problems. Go ahead.

S. Sukhov, chairman of the "Krasnyy Mayak" Kolkhoz, Gorodetskiy Rayon, Nizhniy Novgorod Oblast: I have a question for Valentin Sergeyevich Pavlov. I am in my third year as kolkhoz chairman. My predecessor was a Hero of Socialist Labor. He was an excellent chairman. He obtained credits at 1 or 2 percent interest. He took 3 million [currency not stated]. There was 1.5 million left to pay. Now about the interest on credits. They are taking 10 percent now. How is our oblast going to pay off these credits—we reckon it comes to 44 million from the kolkhozes and sovkhozes?

M. Gorbachev: To pay off the old credits?

S. Sukhov: Yes, the old credits. Now, of course, a new credit, at 10-12 percent—that is up to me, I can take it or leave it, but how can we pay off the old credits at the new interest rates?

V. Pavlov: A concrete question, and so is the answer. Was the credit obtained from the state bank, or a commercial bank? The state bank should not revise interest rates for existing credits.

A. Kolpikova, operator at the "Oktyabrneft" Oil and Gas Extraction Administration in Groznyy: As I was leaving for the Plenum I learned that the oilmen's wages had been increased sharply. I will be earning R970 a month, for instance. That's nice, of course. But what can you buy with the money? I have three grown daughters. In Moscow yesterday, I looked in a commercial store, and shoes cost R800. Please, comrades, reduce prices for children's goods. An adult can deny himself things, but I have to buy for the child.

I. Korniychuk, metal worker at the Khmelnitskiy Radio Equipment Plant: Let us hope that in the near future prices, especially for children's goods and essentials, will be reduced. If this is foreseen, please tell us, when?

V. Pavlov: I will answer your question. We have managed to halt the decline in production—that is a fact. We seriously expect to regain the 1990 production volumes by October-November this year. We have managed to secure a whole series of agreements, and industry will at last receive the necessary raw materials and start working.

You know very well that the decline in production did not happen because people don't want to work; they can't work, they have nothing to work with—that is the problem. No raw materials, no parts—that is what led to this situation in the market.

When we have restored the production volumes, we will be able to talk seriously about starting to reduce prices, both by limiting them and by filling the market.

Bread And Heat First

From the auditorium: The situation in Maritime Kray is very worrying. Last year the typhoons shook us up, now two cyclones in succession are swamping us. Food is a problem. A concrete illustration: We haven't seen butter for six months.

V. Pavlov: The question is rightly put, the food situation is very difficult in Maritime Kray and the Far East. But I must say this: The Union government is not responsible for supplying these regions. We have no centralized deliveries from the all-union stocks to those regions, and in Russia a total decoupling and blockade of regions has taken place. In many oblasts of the RSFSR that should supply goods under interrepublic deliveries, they decided first of all to increase their own consumption to the general Union level. And so deliveries to other regions of Russia were reduced. This process coincided with the decline in production volumes. Supplies were disrupted primarily to those regions from which there are no direct reciprocal deliveries.

Chelyabinsk, for instance, found itself in this position. It should be supplied by Tambov, Krasnodar, Kurgan.... But the Union Government had to rescue it. They bought up products and handed them out in compensation for the deliveries. Plus they used the reserve. And that saved Chelyabinsk Oblast for this year.

It is the same with the Far East. We must determine what we will do next: Either we change the principle behind our approach and centralize grain purchases, for instance, and then we will at least be able to maneuver to some extent. Or else everything will depend on horizontal ties. B. Kopyrnov, chairman of the "Ovstug" Kolkhoz, Bryansk Oblast: Valentin Sergeyevich, they've started threshing the grain in Central Russia. Traditionally, we start selling it to the state after two or three days. I think the chairman of the Cabinet of Ministers is well aware of the huge increase in prices of machinery, spare parts, and so forth. Grain prices have stayed the same. Potato prices too, for the moment. Tell me, will there be a change, or not?

V. Pavlov: The introduction of new wholesale prices was linked to the introduction of new purchase prices. Both were planned from 1 January 1991. But after the Russian Federation's example (naturally, the other Union republics followed suit), they began introducing the purchase prices earlier. I don't mean that this was malicious in any way. It was also based on certain economic calculations, because people were not selling livestock and grain, they were waiting for 1 January.

Parity was not maintained because the increase in wholesale prices proved considerably higher than was allowed for in the purchase prices. A substantial sum of the increased cost of output supplied to the countryside was not covered by the purchase prices. We are currently checking to see precisely what sum. On the other hand, we adopted a decision on compensation for the countryside. But the peasants say: Give us purchase prices, they

don't want to hear about any other kind of compensation. Although we are seeking various concrete ways.

We have offered a number of concessions. We are financing a significant proportion of the said increase in costs direct from the budget. Why are we doing this? Because the other side of the coin is constantly looming. And you know that very well. As soon as you increase the purchase price for any type of agricultural output, the retail price promptly soars. That is what was constantly pushing us in the direction of budgetary compensation. Now objections are being raised, people say that the republics should do this, out of the republics' budgets. But they don't want to. What is the solution? The republics should take responsibility and show at least as much concern for their own people as the Union government does. Or else we should seek a different mechanism: Give money direct to the countryside. But that means a return to the centralized system of management of agriculture. If we consciously go down that road, we must say where it will lead us. We do not want that at present.

M. Gorbachev: It is no secret: The situation is critical. It is important now to stand firm on the main point: not to bungle things with food and heat. And at the same time to develop the labor collectives' initiative, giving enterprises more autonomy and boosting and increasing production. I will tell you frankly, the most difficult thing now—and this is what concerns me most of all—is food. Everything must be mobilized, all the state's resources, but the food situation must not be allowed to get worse.

Why is this particularly worrying? First the drought hit Kazakhstan and the southern Urals, now it has struck the Volga region and Bashkiria. These are vast areas. Some 30 million hectares of grain crops are in a zone of severe drought.

Second—heat and energy. All the other problems come behind these. The machine building workers and the defense industry have been enlisted to help the oilmen. Comrade Pavlov has allocated resources, 500 million in foreign currency [not specified]. Everything is being done to stop the fall in oil extraction.

Economic Reasons Versus Political Ambitions

A. Morkunas, tractor driver at the "Tverecius" Kolkhoz in Lithuania: I have a question. For the entire leadership, really. When will the Union stop feeding the separatist speculators in Lithuania? The republic receives oil from the Union, from Russia. Prices for petroleum products are higher than the Union prices. The profit they obtain here is used to support repressive structures, like the Territorial Defense Department. Everyone knows that. For an ordinary iron, which probably costs R10 in the Ukraine or Russia, they are asking R120 in Lithuania....

V. Pavlov: The situation is both simple and complex. Sometimes people talk about sanctions. But we are unwilling and unable to apply sanctions against the entire population of Lithuania. Such measures will not boost the popularity of the government or the Communist Party.

M. Gorbachev: I think another conclusion can be drawn, too. People should know how the government is acting, while representing itself as democratic and saying all the time that it does not need the Union. People must be shown.

V. Grigoryev: I am from Latvia. In the Baltic republics, 1.5 million people took part in the vote [referendum], that makes 2.5 million with their families, but it is not clear either from USSR Supreme Soviet resolutions or from our leaders' statements what fate awaits those who do not receive citizenship of republics that do not sign the Union Treaty and remain outside the new Union. What will happen to us?

A. Kolpikova: I also live in a national republic, I have no quarrel with any nation, I defend their rights. But I want to say a little about Russian people. Nowadays people are practically wiping their feet on us—like doormats. Something must be done.

M. Gorbachev: The answer must be approached via stabilization and social consensus on the basis of the Union Treaty. Comrades ask: How, in my view, are the processes of reforming our Federation going? The Union Treaty will be open for signing. In this connection, there are reports that a discussion is under way in Armenia and Moldavia about how to join the Union Treaty. I think Georgia too, despite all the complications there have been there, will come round to being with all the republics.

The Baltic issue is a special issue. We have not abandoned the constitutional provisions which state that every republic has the right to self-determination, including secession. But on the basis of the laws.

As for my viewpoint, I am convinced that we should not divide, but should distribute powers correctly, give the republics themselves the maximum opportunities, and give the enterprises freedom. Partition drags you into situations that are hardly possible to get out of. Yugoslavia is an eloquent example.

People have spoken here and said how many people in the Baltic republics voted for the Union. That is one in three—Russians, Ukrainians, Belorussians, Poles. Is all that to be broken and trampled underfoot?

If, in the end, a particular republic comes out in favor of secession, then there will be a transitional "divorce" process, so that all questions are resolved: what to do about people, the economy, defense, communications.... But I am convinced that it would be a historic mistake. A solution must be sought, and there are three main components here.

What do we need now?

First—social consensus on the basis of the speediest possible progress toward the signing of the Union treaty and the distribution of powers on that basis. The creation of legislative and executive authority on the basis of these distributed powers, and the functioning of that authority. Until these questions are resolved, there will continue to be clashes between republic and Union departments and ministries, and this happens even at the level of the legislators. Therefore this is the central task. And here you and I are in agreement.

Second—questions of radical economic reform. If we wait till we have organized all the power structures on the basis of the Union treaty, we could lose a great deal during these months and make the situation even more difficult.

And third—again, the improvement of ties, the organization of more effective ties with other countries in Central and Eastern Europe and with the West. These are the three key questions, and they must all be tackled simultaneously. They are highly interconnected.

Let me begin with the Union treaty. As you know, the text has been agreed. One question remains, which we are sorting out. What question is that? Federal or Union taxes....

In future only Union expenditure will be left to the Union. And that needs taxes. Everything else must increasingly take place through direct ties.

The old Center could not cope with an enormous economy, when everything had to be prescribed and distributed, down to the last nail. Nowhere in the world will anyone ever be able to prescribe from the center everything that must be done, and how. That is clear now. But it is important that this center is not replaced by 15 clones, and these are already appearing.

The republics, with their decisions, are banning enterprises from exporting output outside the republics; links between enterprises have begun to be broken, with all the ensuing negative consequences. The main thing is to preserve a single market with a single currency, a single credit system, and freedom for enterprises, and to establish links in that market.

Concerning The 5-Percent Tax And The Center's "Blame"

From the audience: We talk about an equal treaty between republics, but there is no equality at the moment. As soon as an unpopular decision has to be made it is immediately blamed on the Union, the center. As soon as a step that is even of minor advantage is taken it is credited to a republic. The 5-percent tax, what was it, a presidential tax? It was even named the "presidential" tax. Although 75 percent of the tax went to local and republic budgets. Although each bank announced that it was a "presidential" tax that was being levied. Essentially it is a political attack on presidential power. And on the Union.

M. Gorbachev: The thing is that everything was written down in the economic agreement and signed by all the republics' leaders. It was on the basis of this agreement that the decrees were prepared. Indeed, the president signed them. And he came in for all kinds of flak, in particular for the 5-percent tax. I remember having to face a storm of dissatisfaction in Belorussia.

That was just an episode. But it indicates how important harmony among the republics is. In London the "seven" wanted to know about the safeguarding of stability in the country. What kind of stability? Political. And that, as you yourselves know, is unattainable without the union of republics. If this stability plus finance more or less approaches the norm, then all the reforms will go ahead.

I. Kurilyak, driver at the Ivano-Frankovsk automotive enterprise No. 12629: I noticed that a highway near Moscow is being constructed by foreign firms. Foreigners are making bricks for us. Are we so helpless that we are spending hard currency on such simple things? What does it mean? What kind of cooperation is it?

M. Gorbachev: In Kokchetav recently I was pleasantly surprised that the oblast's kolkhozes and sovkhozes have constructed brickworks in recent years. The brick problem in Kokchetav has almost been resolved, and, as you rightly say, we can do it ourselves. But there are cases where it is advantageous to bring in foreign experts. For example, no one was bothered about repairing the Petrovskiy Arcade in Moscow. Those who were prepared to do it were asking such an exorbitant price! There was an auction. Turkish construction workers came up with the cheapest tender, so they did it.

A. Lukyanov: But the shelves are empty....

M. Gorbachev: I want to say that there is a feeling, there is talk that we are falling into the capitalists' arms. If we fear cooperation we will not have a market. The whole world is involved in cooperation. We must do it too.

But I would stress once again that the number one task is to hold the situation and stabilize it. Which is what the government, much reviled in the press, is trying to do. But we objectively need a unified market. We cannot wriggle out of it.

From the audience: I think we will continue to encounter many attempts to blame everything on central power, on the Union. Local authorities will say that they cannot get anything although everything has been transferred to the provinces. This is a familiar ploy.

V. Pavlov: As of this year we do not have a unified national budget. The Union government can no longer regulate finances and the money supply in the country as a whole. The system has been destroyed. All the money from the price rises has stayed in the republics, and at the first stage there was euphoria there; after all, they got rich. They started taking decisions on the basis of money which, in principle, does not belong to any particular republic.

For 70 years our industry was built on the basis of specialization and coproduction and division of labor in accordance with natural and climatic conditions. Processing and end production was concentrated, as a rule, in the European part of the RSFSR, in the Baltic republics, and in the Ukraine. And what happens? The war of sovereignties leads to increased raw material prices. For example, this year Uzbekistan has sold around one-third of its cotton to the Russian Federation at a price that is 350 percent above the state price. And shipments of cotton ceased first for two, and then for three weeks. As a result factories were shutting down in Ivanovo.

Moreover, everyone was in a hurry to save his own skin....

M. Gorbachev: No one can save himself alone. Nothing will come of it. I have always said that and will continue to say that. We need a federation. Not a confederation, not some kind of community, but an actual federation, as a strong, living state capable of safeguarding people all rights and protection, that is, economic, social, and defense.

Extraordinary Congress: Is It To Elect A New Central Committee?

A. Galkin: I have a suggestion: There should be more Communists from among the workers operating in elected party organs. Incidentally, we are greatly trusted in collectives—not only by workers, but by the intelligentsia, because they know that a worker will tell the truth, unlike some oblast committee secretary.

M. Gorbachev: Since you mention elected organs, say whether you think we should change the Central Committee membership at the upcoming extraordinary congress. By the fall it will have completed 18 months. The question is bound raised and we have to decide.

Your view is very important. Many comrades say that only now have they found a degree of mutual understanding, are they able to cooperate properly. After all, we replaced over 80 percent of the Central Committee at the 28th congress. It is very new.

But the congress will decide that, comrades. So let us decide what we think. Your viewpoint, that is peasants and workers who are party members or Central Committee members, is very important.

A. Galkin: We in Kazakhstan have spoken on this and our common view is that we should only hold elections for places that have become vacant. We are only just getting to know one another and getting into the swing of things—we can do without reelecting the whole lot! On the other hand, people say that they want to kick over the traces and get some good new people. We do not go for that kind of talk. What we need to do is work, not organization of election after election.

Ye. Yarkin: Elect a new Central Committee or not? This year we have only just gotten to grips with political work, gotten down to things. And if the extraordinary congress were to raise the question of replacing the Central Committee I do not think that would be right. Don't get me wrong. I am not bursting to be in the Central Committee, although I have only just gotten a taste for the work. Nonetheless, this question certainly must be properly addressed.

Concluding The Discussion

L. Tsybikzhapova: Needless to say, the party's strength lies in the people. And the party, on the eve of the adoption of the new program, will derive strength from the people. But how do we Communists persuade the people around us, the people we work side by side with?

It is very difficult. And I would like to say that first and foremost we have to establish discipline in the country. Indeed, Vladimir Ilich Lenin once said that the Bolsheviks would not have held on to power for two and one-half months, let alone for two and one-half years had it not been for iron discipline.

V. Pavlov: I must mention something that bothers us a great deal. I will speak plainly to you, workers and peasants—members of our party's Central Committee and Central Control Commission. All the time we sense the threat of strikes. But you know how the miners' strikes rocked the economy. I do not want to develop this topic, I will give just one figure. The volume of coking coal extraction has not reached the norm. At the moment we are producing approximately 260,000-270,000 tonnes a day.

M. Gorbachev: And it should be 320,000.

V. Pavlov: Some 340,000, taking into account preparations for the winter. Look what is happening at the moment. Our coke oven batteries have broken down—six out of 42. We have no metal—we are losing, probably, some 10 million tonnes of rolled metal. And that means motor vehicles, refrigerators, washing machines, and so on. We do not have enough coke to make fertilizers. And if the economy suffers yet another blow it will simply be unable to stand it. And it is the most sensitive areas that are being targeted. They are trying to stir up the oilworkers. If they succeed in stirring up the oilworkers, particularly in Tyumen Oblast, the country will not take it any more. I can tell you that quite frankly.

From the audience: Who is doing the stirring?

M. Gorbachev: No matter what we say, whatever we discuss, the main thing now is to have harmony in society. The working class and peasantry must understand us. Despite the fact that there are many things you do not like, despite the mistakes.

Your support is required, comrades. Without it nothing will happen. There has to be harmony between republics in order to keep the situation on an even keel and promote the reforms. If someone starts a fight or if the strikes you mentioned take place, it could indeed paralyze the country. It would then be necessary to switch to

the toughest methods. But no one would gain anything from that. There is a growing understanding of all this in society and you can aid this mutual understanding. Despite all the differences of opinion and the different stances, there are things that take precedence—the Soviet state, the country's integrity, the stabilization of the economy, the reforms, and in the final analysis, people's interests and their future.

Of course, there is not enough room in a newspaper item to cover all the issues discussed at the meeting. But we have tried to select the most important elements.

Moscow TV Reports Novo-Ogarevo News Conference

LD2507023191

[Editorial Report] Moscow Central Television First Program Network in Russian 1840 GMT on 24 July carries a 15-minute recording of a news conference by USSR President Mikhail Gorbachev with unidentified correspondents in Novo-Ogarevo on 24 July.

The recording begins with Gorbachev shown seated at a table with USSR Supreme Soviet Chairman Anatoliy Lukyanov, USSR Prime Minister Valentin Pavlov, and Council of Nationalities Chairman Rafik Nishanov.

Gorbachev begins by discussing his talks with republican leaders on the draft Union treaty, enumerating the five most important points of the treaty and reporting that the wording of the article on Union taxes has yet to be resolved. He says that all topics were worked through and that "this agreed text has been handed over for endorsement." He stresses that, while the signing process is close, it is considered unnecessary to point to a specific date. Gorbachev reiterates it was a big discussion in which mutual understanding emerged. He recognizes the presence of the Ukrainian delegation, before hailing Armenian Supreme Soviet Chairman Lev Ter-Petrosyan's presence at the meeting as an expression of the Armenian mood.

Gorbachev adds: "We also used the opportunity here, and at the end I expressed to Comrade Mutalibov and Comrade Ter-Petrosyan the wish that they both, each for his own part, might assist the positive trends and the readiness for compromise which have emerged now in relations between those two peoples and republics. All the meeting's participants expressed the wish that I should do everything to assist that, backed by the will and desire on everybody's part. I think we will do that."

Gorbachev then reports that he briefed the leaders on his meetings with G-7 leaders in London, saying that everyone agreed on the importance of those meetings. He discusses what he calls an important exchange of opinions on resolving the food supply problem, pointing out that all leaders agreed to work on the problem.

A correspondent then asks Gorbachev: "How has Tatarstan's stand changed somehow? How will it join in, generally speaking?"

Gorbachev replies by noting that Tatarstan confirmed the position formulated within the framework of the Russian Soviet Federated Socialist Republic Supreme Soviet and affirming that the Tatarstan situation will be a subject of further discussion.

Gorbachev then invites all peoples and republics to seek self-determination on the reform path and warns against other approaches which might exacerbate the situation. He says: "Take the Baltics, for example, the case which has already stood out most clearly. A total of 2.5 million out of a population of just over 7 million are not indigenous. While they are all in the Union, they all feel normal, as though under the protection, the wing, so to speak, and none of the ties are being broken, and all that. But, if all that is abruptly broken off, people will start asking where they are to live and what arrangements they have to make for their families."

Gorbachev adds that, while this may be the most complex and difficult process under way within the framework of the federation, the experience to reason calmly is great. He then cites figures on the number of republics represented at Council of Federation sessions and at meetings on economic issues, noting that these figures attest to how much the territories depend on each other.

Gorbachev then answers a question on the upcoming CPSU Central Committee plenum and the new party program. He says the program will be up-to-date and probably prove the program of the 1990s. Gorbachev then stresses that the Party should adopt a program document clearly defining Party guidelines and goals and solving many of life's problems.

At 0855 GMT the recording ends with Gorbachev saying he is confident that the draft party program will represent democratic, progressive national interests.

Nazarbayev, Galazov on Talks

PM2907081191 Moscow SOVETSKAYA ROSSIYA in Russian 25 Jul 91 First Edition p 1

[Report by correspondent N. Garifullina incorporating remarks by N.A. Nazarbayev, president of the Kazakh SSR, and A.Kh. Galazov, chairman of the North Ossetian SSR Supreme Soviet: "Concerns Remain"]

[Text] Novo-Ogarevo—Leaders of republics' authorized delegations for completing work on the draft Union Treaty assembled once again 23 July in Novo-Ogarevo, which lately has become a symbol of the hopes and concerns of millions of Soviet people. The conference went on for four hours without a break. There, in the small, two-story, ocher-painted building with white columns, questions concerning the future of the country and of us all were being decided. The time dragged agonizingly slowly. At 1800 hours the conference participants came out to get a breath of fresh air, whereupon they were literally pounced upon by journalists.

"Nursultan Abishevich," I asked to the president of the Kazakh SSR [Soviet Socialist Republic], "will you please tell us what questions you are discussing today?"

[Nazarbayev] "We are going through every article. The supreme soviets of all the republics have received the draft treaty and have discussed it. New questions have arisen. It is these questions and articles that we are going through. We have now reached the eighth article out of 23.

"The problems are the same ones as before. How to protect the rights of former autonomous republics which have declared themselves sovereign republics. I think that we have nevertheless made progress, there is still agreement. There are already formulas, there are several of them, and here the various interests of various republics must be taken into account, because they do not always coincide. There was the following formula: Because Russia is the only federal republic in our country it should be taken separately, bearing in mind its peculiarities. There is such a proposal. We went through the question of membership and agreed that the treaty is to be signed by everyone, including former autonomous republics. But as to how relations will take shape between them and how problems will be resolved, there are several proposals on this score, but I think we will find a common formula."

Journalists from other publications joined in the conversation. I quote my dictaphone recording.

[Unidentified journalist] "What is Marshal Yazov's role at the conference?"

[Nazarbayev] "He participated in the discussion of questions concerning the running of the defense complex and Ministry of Defense, after which he left. There were also questions concerning the minister of foreign affairs. They were questions concerning the coordination of foreign policy by all republics."

[Unidentified journalist] "Are you now 10 plus one?"

[Nazarbayev] "Yes, today Armenia seems to be participating."

"But in effect it did not participate, because Ter-Petrosyan kept silent," A.Kh. Galazov, chairman of the North Ossetian SSR Supreme Soviet, elaborated.

[Unidentified journalist] "Is today the last day?"

"I don't think so," Nazarbayev replied, but he refused to name an exact date for the Union Treaty's signing, noting that he cannot anticipate that.

"There is a possible option for determining when the treaty will be signed," Galazov elaborated. "But now our task is to finish all the spadework."

"It also has to be said," Nazarbayev noted, "that some kind of games are going on: We received three versions of the draft Union Treaty and did not know which to work on. There is the Supreme Soviet's position, there is the Constitutional Oversight Committee's position, and a version was also received from the presidential apparatus. We rejected them and took the 17 June path: We are going by the draft and the text which was agreed then."

"Didn't the question of naming the state arise again?" I asked.

[Nazarbayev] "We consider this question agreed and settled."

I then managed to have a conversation with Galazov, chairman of the North Ossetian SSR Supreme Soviet.

[Garifullina] "Does the way the question of former autonomous republics is being decided suit you?"

[Galazov] "Not completely, but we are at least moving toward a version that will suit us. This means that the former autonomous republics will be fully equal parties in a Union federation."

[Garifullina] "Will you be signing the treaty as a member of the RSFSR [Russian Soviet Federated Republic] delegation or autonomously?"

[Galazov] "Boris Nikolayevich Yeltsin and I agreed that the treaty is to be signed by the Russian Federation delegation and, after the RSFSR has signed, the delegations of all republics making up Russia are to sign in alphabetical order without noting 'member of.'"

The 10 minutes set aside for journalists ran out, and the Novo-Ogarevo veche [popular assembly in medieval Russian towns] continued its work.

Alekseyev Comments on Yeltsin Decree Noted

LD2707202491 Moscow All-Union Radio First Program Radio-1 Network in Russian 1600 GMT 27 Jul 91

[Remarks by Sergey Sergeyevich Alekseyev, chairman of the USSR Constitutional Supervision Committee, at a news conference in Moscow on 27 July—recorded]

[Text] The Constitutional Supervision Committee is already looking into matters concerning the removal of parties from a number of organs in Moldova, the Russian Soviet Federated Socialist Republic [RSFSR] law on the militia—this is not the first matter—and in the Baltic republics. I would like to draw your attention to the fact that this issue is very complex from the legal point of view. It requires careful, thorough, painstaking legal analysis and examination. At least two problems arise here. One problem is on the fundamental side of things: Article Six of the Union Constitution actually orients our country not only toward establishing a multiparty system, but also toward a certain deideologization occurring, and in a number of cases the removal of parties from organs should occur. But the whole point is how

this should occur, in what forms, by what legal methods—this is where the root of the legal problem lies, and we have been racking our brains for a long time already on how to solve it.

For the sake of clarity I will say that as concerns our committee Boris Nikolayevich Yeltsin is too late—for a year and a half we have been operating as an organ from which parties have been removed. We ourselves made the decision that we would not set up party organizations in our committee and this is well known. The second problem is the right of the Union republics to regulate relations between party and state, although the foundation is determined by the Union. In accordance with the new Union treaty, as far as we know, the rights of the Union republics will be expanded still further in this respect.

But notwithstanding all of this, there are two unfading lights by which we have to be guided, and those are fundamental human rights, with which any changes in political life have to be brought into conformity. It is my conviction that if any act, an act being planned or prepared, should to the slightest degree infringe human rights, it does not merit further progress. I think that we will get there in time. The second thing—the nature of the law itself, which is geared to people's rights, is by nature, by its foundation, of a permissive nature, not a prohibitory or a restrictive nature as in a totalitarian regime, but geared to people's rights. I do not want to touch on a delicate side of the problem, which is being raised in the press, concerning Boris Nikolayevich Yeltsin's decree—has he exceeded his powers? This is not a question for us; this has to be sorted out by the relevant organs, the Congress and the Supreme Soviet of the RSFSR. But we are accepting it for examination for the reason that it concerns human rights.

At the same time we have made a decision to request the RSFSR president, as is customary in international practice by well-known common civilized principles, which have already been formed, to suspend the force of this decree until our committee has finished examining this matter. Let us look into it, let us consider everything. A great deal is currently being tackled on the crest of the wave of passion and emotion. We will reach a real, calm, legal decision, and perhaps a major decision. We have hope—it is not ruled out that we will also reach some major decision which will defuse the situation.

Our society needs calming down, conciliation, and the establishment of civilized legal principles. We will not drag out the examination of this issue, because there is social agitation. We hope that these questions will find a satisfactory solution. Thank you.

Further on Alekseyev Remarks

PM3007113791 Moscow IZVESTIYA in Russian 29 Jul 91 Union Edition p 1

[Report by Yu. Feofanov: "Do Not Say 'Yes' or 'No.' News Conference at Constitutional Oversight Committee"]

[Excerpts] [Passage omitted] The following TASS report arrived: "On 27 July there will be a news conference with S.S. Alekseyev, chairman of the Constitutional Oversight Committee. It is being devoted to the committee's findings on the RSFSR [Russian Soviet Federated Socialist Republic] Presidential Decree." [passage omitted]

Naturally, Soviet and foreign correspondents rushed to 9 Manezh Square, to the cramped little hall where the sittings are held. I counted about 10 TV cameras focused on Sergey Sergeyevich, whereas the unarmed journalists did not even have anywhere to sit—in a dense crowd they surrounded the chairman's table.

And he said—and this was the most exciting thing, or most scandalous thing, if you like—that "he regrets that the information concerning a news conference had leaked out because the committee had had no intention of holding one," since there was nothing to discuss—"the committee did not come to any conclusion on the RSFSR president's Decree on Departyization."

"It is only because of my affection for the press," the chairman added, "that I am prepared to answer questions about a subject that does not exist. But please bear in mind that I have no right at all to express my opinion on the content of the decree before our official findings are made."

In a word, the news conference was held under the motto: Do not say "yes" or "no," do not indicate what is "black" or "white."

Nevertheless, it was held, and—as I noted—it even provided rich material for the airwaves—our newspapers do not come out on nonwork days now, but if they did, they too would probably have responded.

The main questions were: Why is the committee acting so hastily? Does the RSFSR president's Decree on Departyization "fall within its competence"?

The answer to the first question was convincing: The committee acted in exactly the same way when the RSFSR Supreme Soviet appealed to it to provide its findings on the legality of the USSR president's Decree on Patrolling—then too the appeal was received equally rapidly and, following the necessary procedure and a public hearing, major findings regarding the use of troops to resolve internal conflicts were presented.

The answer to the second question, however, provoked even more questions. By law, the USSR Constitutional Oversight Committee does not have the authority to assess the legislative acts of sovereign states, which is what the republics belonging (or still belonging) to the Union are. But with one exception: If a republic legislative act infringes the constitutional rights of the individual to any degree whatsoever, then such an act is subject to assessment by the Constitutional Oversight Committee.

"We are not discussing the question of whether the Russian president exceeded his powers by issuing the

decree or not," the chairman of the committee said. "That is not our problem; let the Supreme Soviet or the Congress of People's Deputies assess that. We resolved one question at the organizational sitting: Does the decree affect the basic rights and freedoms of citizens? And we came to the conclusion that it does."

Journalists were interested in which specific rights guaranteed by the Constitution or the International Pact the Decree on Departyization affected. Political activity is not prohibited, membership of any party or the opposite, nonmembership, does not entail any consequences. The only thing the decree prohibits is organizational structures of any parties and political movements in state enterprises, state institutions, and management organs. You can involve yourself in party political activity as much as you like, but not in your place of work or service. (Note, the decree does not concern the activity of trade unions or women's and veterans' movements, or invention activity or local amateur initiative.) Yet this is being presented as practically the downfall of democracy. The Politburo and the CPSU Central Committee Plenum have expressed that opinion, and the chairman of the USSR Supreme Soviet and its Glasnost and Human Rights Committee have appealed to the Constitutional Oversight Committee. A secretary of the CPSU Central Committee has said on television—in unusually mild terms, admittedly—that the decree introduces a certain discord into society and undermines the accord that has been reached....

The direct question of exactly which citizens' rights and freedoms the Russian president has violated in his decree was not directly answered. But maybe that is right, because the chairman of the committee said that public hearings would he held in the near future on this problem, to which the whole press would be invited.

Sergey Sergeyevich reported one curious detail: The Constitutional Oversight Committee itself has been departyized since its very founding—it has no party organizations, and in that sense it anticipated the RSFSR presidential decree.

"What is this: a statement of fact or a hint?" a foreign journalist I know asked me.

I could only shrug my shoulders. First of all, I do not know, and second, even the press has to be restrained in its predictions: You cannot say "yes" or "no." Although of course there will be predictions, the press will not be able to restrain itself—otherwise it would not be the press.

Democratic Reform Movement Hails Yeltsin Decree

LD3007222191 Moscow Radio Rossii Network in Russian 2046 GMT 30 Jul 91

[Text] A statement from the Movement of Democratic Reforms was published today. It says that the Russian Soviet Federated Socialist Republic [RSFSR] president's decree on departization has long been an urgent stage of the democratization of social development. The statement points out that the decree not only does not run counter to the constitutions of the USSR and the RSFSR, but directly emanates from the USSR law on parties and public organizations. The document was signed by Yakovlev, Shevardnadze, Silayev, Rutskoy, Popov, Petrakov, and many others.

Shevardnadze on Democratic Reform Movement

914B0268A Moscow NOVOYE VREMYA in Russian No 27, Jul 91 pp 4-6

[Interview with Eduard Shevardnadze by NOVOYE VREMYA political observer Galina Sidorova; place and date not given: "There Is Such a... Party?"]

[Text] The party which was so feared in the CPSU Central Committee and of which some democrats had grown tired of dreaming is born. More precisely, the basis for a party—a movement.

The call has gone out. Arkadiy Volskiy, Nikolay Petrakov, Gavriil Popov, Aleksandr Rutskoy, Anatoliy Sobchak, Ivan Silayev, Stanislav Shatalin, Eduard Shevardnadze, and Aleksandr Yakovlev have appealed to their fellow citizens to conduct in the fall of 1991 a constituent conference for the amalgamation of democratic movements and parties in the republics and regions.

NOVOYE VREMYA. I know that you have long been toying with the idea of the formation of an opposition party. Why have you and your fellow thinkers decided to realize it precisely at this time?

E. Shevardnadze. I have not previously announced this in public. But I had truly been saying in conversation with my colleagues that if we wish to build a democratic state based on the rule of law in earnest, it is necessary to contribute to the creation of a serious constructive opposition. This was not supported. Everyone hoped that the CPSU would be transformed and would itself be the personification of democracy and democratism. This has not happened.

Why now? I will begin with the fact that we are late. I spoke in December about the danger of impending dictatorship. It was then, most likely, that the question of the organizational unification of the democratic movement should have been raised. The threat of a return of totalitarianism remains. People's mentality has been shaped over decades. The conservative, reactionary forces are quite well organized. They have their own structures. It is a real force, military included. Look at the actions they have undertaken since my resignation: the events in Vilnius—an open armed move against legitimately elected representatives of authority. Whether some people like it or not, if the CPSU considers itself a constitutional party, how can it permit the use of force against a constitutional government? Then Riga, and in recent days, Lithuania once again. And remember the besieged Kremlin at the end of March.

Were it not for the high-minded position of Russia's deputies, no one knows how things might have turned out....

NV. You said at that time, in December, that the democrats had "taken to the hills." Today, evidently, they have switched to active operations....

E.Sh. Everyone has become convinced that the democratic forces are capable of winning people's trust. The results of the election of the president in Russia and the results of the elections in Moscow and Leningrad are testimony to this. This is a major success of the democratic forces. But I concede that it is against this background that a further cohesion of reactionaries and an intensification of the struggle are taking place. I even fear that the democrats might be taking comfort prematurely and resting on their laurels. Our opponents are not sleeping. This is why at the present stage we have appealed to our fellow citizens to unite in the Movement for Democratic Reforms.

NV. What do you mean by constructive opposition? What kind of program do you intend offering?

E.Sh. When I speak of constructive opposition, I refer not so much to a program—it is still to be specified—as a modus operandi. There is an opposition which tries to torpedo any decision of the government and the leader of the country. We, however, intend, if the government pursues a prudent policy which is correct from our viewpoint, to support it. If we are persuaded that there is a more suitable alternative, we will mold public opinion and struggle in parliament.

NV. Nonetheless, you are hoping to create a mass party or a small organization of fellow thinkers?

E.Sh. Let us assume we were to confine ourselves to the formation of a party of an intellectual elite. But we would then simply not gain sufficient support. Particularly at the present complex stage, when, in my view, people need an organization which takes account of the interests of each and which appeals to each person, each individual. For the individual is highest of all. And, however paradoxical, it is for this reason that we aspire to a mass movement.

NV. Not a party, consequently, a movement?

E.Sh. As yet, a movement, an association. Why? We wish to open the doors to as wide a circle of people as possible. To rely on the masses...

NV. The masses are an elastic concept. On whose support are you counting specifically?

E.Sh. I would not want to rely on any particular class or group. We invite all fellow citizens who share our ideals and principles. They are these: man's spiritual, economic and political freedom and his social and economic protection; a parliamentary republic, legality and law and order; a fundamental transformation of the economic structure, competition and equal opportunities and the conversion of the citizens of the country into the owners of property and the results of their labor; cooperation between nations and preservation of the historical nucleus of our state as a union of free and sovereign peoples; the condemnation and rejection of all forms of national extremism, chauvinism and racism; common sense and the constructive cooperation of all responsible citizens and opponents of chaos and anarchy; equality and involved cooperation in foreign policy and domestic policy affairs and the peaceful development of civilization. I repeat, we wish to address the individual and take account as far as possible of the interests of all strata.

NV. Are you intending to create your outposts at enterprises and in establishments? Or something akin to voters' clubs?

E.Sh. As yet I see things as follows: an organizing committee or organizing bureau in Moscow and similar organizations in the districts, cities and republics, where our appeal meets with a positive response. What subsequently? Creating organizations at enterprises, in departments? I believe that it is time to raise the question of depoliticization and de-party-ization. The CPSU preserves its presence as yet at the enterprises, in the state structures and in the security authorities and the army. And preserves it in monopoly fashion, what is more. Members of the Communist Party constitute 90 percent of those working in these systems. We will raise the question of de-party-ization. If this is supported, there could, naturally, be no question of the creation of our cells at the place of work. There would be something else—at the place of residence, on a district scale. But if the CPSU preserves its organizations at the enterprises, we will go in for this also. Why not create, say, in the Defense Ministry a cell of the democratic movement? I know many officers and generals even who would join us. Why not create our organization in the state security authorities or in the Foreign Ministry?

NV. How do you intend to struggle for power?

E.Sh. Via parliament. Elections are what are most important for us. But elections cannot be won without real work and specific programs. In fact, programs alone will not come to the rescue. People are tired of concepts, rhetoric, and promises. Action is needed. And our authority will be established in this struggle in respect to specific issues in real action. We are a parliamentary party. But this does not mean that we do not lay claim to a mass character. On the contrary, only with as broad support of the electorate as possible will we be able to get the maximum number of our deputies elected to parliament.

NV. Fatigue really is noticeable in society, including from new parties and movements which are constantly arising. There will be added problems for people initially at the stage transitional to the new economic system and the new rules of life. In addition, the CPSU has levers, as before. Are you not afraid that people will not follow you?

E.Sh. We do not intend to overtire our fellow citizens with rhetoric and new unrealistic programs. There are more than are necessary as it is. Account should be taken of the element of fatigue. If people are persuaded that we are a real force and will struggle for the interests of each person, they will follow us, I believe.

NV. A particular stereotype of the party has taken shape in Soviet society—if there was a party, it was some kind of ideological colossus. Your relations with ideology?

E.Sh. We wish to get away from this. Even if our movement subsequently becomes a party. The main criterion for determination of the attitude toward us of the person joining us and of our attitude toward him is fidelity to the ideals of democracy. He could believe in the socialist idea, and we will work with him in one party. He could be, by conviction, a Christian democrat, and we would cooperate also.

NV. This is truly a new type of party....

E.Sh. Yes, as the Bolsheviks once said.

NV. Representatives of Democratic Russia and certain Republicans, not to mention past and present members of the CPSU, are gravitating toward you. How, for all that, do you intend to solve the question of dual membership, of membership of the CPSU, for example?

E.Sh. I believe that it is not even necessary to insist now that those who join us necessarily quit the CPSU, say. As long as we are a movement, in any event.

NV. In other words, you concede that initially you will be a diverse movement in terms of political predilections and will subsequently convert yourselves into a party?

E.Sh. If we become a party, the question of membership will then need to be approached differently. But I do not rule out certain current parties wishing to join us while preserving a certain autonomy. The same in respect to members of the CPSU who express a desire to join us, but for whom parting with the CPSU is difficult. We should find some form of their incorporation in our activity in the event of us becoming a party also.

NV. The appeal was signed by fellow thinkers. But you most likely had and inevitably will have disagreements. They are treated severely in the Communist Party. With you?

E.Sh. We want to build a movement or party with regard for the experience accumulated by political movements in various countries. This is the first point. Second, and most importantly: the party which is formed should be a model of democratism. Unless this is the case, we will fail. We will even encourage factions—the more diverse opinions there are, the better. Parliamentary discipline is another matter. A person whom we have helped get elected to parliament will have to pursue the agreed policy. Otherwise no effective opposition will result.

NV. Zealous Communists are calling the creation of your party a "revolt of yesterday's men"...

E.Sh. Our appeal contains one sentence specially addressed to young people. It is the youth who should be the main pillar and driving force of democratization. And, in my view, our movement should help the young people become politicians in the best and broadest meaning of the word. As long as we have the forces, and we do have certain experience—both bad and to some extent good—we want to devote ourselves to this mission: ensuring that the young people recognize this movement as their own.

Now about yesterday's and today's. I know that this opinion exists and am prepared for the commissioning of a whole arsenal of weapons to compromise and discredit not only the initiators of but also the participants in the movement. We have already been through all this repeatedly. This is not to be feared. The label "yesterday's men" included. There are among us, thank God, not only "yesterday's men." Is Moscow Mayor Gavriil Popov such? A former member of the CPSU, but today's mayor. And Mayor of Leningrad Anatoliy Sobchak? And Aleksandr Rutskoy, vice president of Russia, a young man who has been to war. I know him and would like to say that he is a politician with a big future, resolute, bold and intelligent. Or Ivan Silayev, Russian premier, by no means yesterday's man....

NV. How are you thinking of solving the question of leader?

E.Sh. We will confer in the organizing committee. There will be no fighting over the position of leader, I believe. Leadership on a collegial basis, several leaders are possible.

NV. Organizing committee—this means those who signed the appeal?

E.Sh. No, it will incorporate others also, those who have already expressed a readiness to work on the organizing committee. We still have to think about the material aspect, where to work. We need our own newspaper...

NV. And where? On what resources?

E.Sh. This will be discussed by the organizing committee. But this is how I see it. There will be no precisely established procedure of the kind: if you have not paid your membership dues, out of the party. It will be sufficient, perhaps, to subscribe to our newspaper. And even this is not obligatory. A person does not have an opportunity to pay his dues, say. We will not insist. But someone else could contribute a substantial amount, on the other hand.

NV. You mean donations?

E.Sh. Necessarily. We have already called for the new movement to be supported individually and collectively. I talked about this preliminarily and know that many

people are prepared to make their contribution—both outfits and individual people.

NV. And you have premises?

E.Sh. I myself have not seen them but it is said that we do have. At worst, we will take refuge here, on Yelizarovaya Street, in our Foreign Policy Association.

Alksnis Predicts 'Spontaneous Military Action'

LD3107090491 London ITV Television Network in English 1800 GMT 30 Jul 91

[Exclusive interview with Viktor Alksnis, Leader of the Soyuz group of deputies, in Russian with superimposed English translation, by correspondent Jon Snow in Moscow on 30 July; from the "Channel 4 News" program—recorded]

[Text] [Alksnis] I have been talking about a civil war for about a year. I talked about it at the end of last year, and here agree with Shevardnadze, that if economic chaos continues, civil war, in this country, is unavoidable.

[Snow] So, when do you think the fighting will begin?

[Alksnis] Very difficult to predict. It could happen today, in a year, in a month, in a week—nobody knows. I don't think the army will act as an organized force, but I do predict spontaneous military action in various places, where there is trouble.

Government, Trade Unions Debate Economic Programs

LD2707223991 Moscow Central Television First Program Network in Russian 1800 GMT 27 Jul 91

[Video report by correspondent V. Stepanyuk, including recorded remarks by Valentin Pavlov, USSR Prime Minister, and V.P. Shcherbakov, chairman of the General Confederation of Trade Unions of the USSR, place and date not given; from the "Vremya" newscast]

[Text] [Announcer] The first results of cooperation between the government and trade unions of the country on the fulfillment of the agreement on labor and social and economic questions were drawn up today. I will remind you that the agreement was concluded in April.

[Stepanyuk] This was a routine session of the special commission of the government and the General Confederation of Trade Unions, which is monitoring the implementation of this agreement and discussing the most acute and urgent problems connected with the social tension in society.

The sharpest criticism levelled against the government probably came when matters touched on several unsolved points of the agreement: the subsistence level has not been defined; wage agreements according to industry are not being concluded; and the procedure for deductions into the social insurance fund has not been established.

The prime minister and the chairman of the Confederation of Trade Unions touched on these problems both during the discussions and in answering questions from the vremya program:

[Pavlov] The greater part of the questions do actually have to do with the area of agreements that have been fulfilled. This does not mean that they have already been completed in their implementation, but at this moment, when we are all examining them today, they have been implemented from the angle that things are in full swing. They have been started off, and are going in the right direction. Take such a highly fundamental angle as the conclusion of wage agreements for 1992. The work is under way: many industries have already concluded these wage agreements, and others have prepared them, and yet others have some issue of principle which is now finding a solution of some sort. If in the new conditions the trade unions act, to put it mildly, like a velvet kitten, they will not be able to solve their tasks, or the tasks of the workers who elected them and put them here.

[Shcherbakov] Today we note that a number of issues have not been fulfilled by one or another deadline, so there should be more reciprocity here. This does not mean reciprocity between the Cabinet and the General Confederation of Trade Unions, but reciprocity from the Cabinet of Ministers toward our people, toward our workers.

Political Implications of Yavlinskiy Plan Viewed

914B0277A Moscow NEZAVISIMAYA GAZETA in Russian 18 Jul 91 pp 1, 2

[Article by Mikhail Leontyev: "Does Yavlinskiy Need To Be Preserved? In Light of Gorbachev's Speech at the 'Big Seven' Meeting"]

[Text] Gorbachev has addressed the leaders of the Seven in London. But Gorbachev's actual delivery of the text is still only the beginning, and even if the president of the USSR struck the imagination of his audience, the repercussions from this could be most diverse. And one way or another the responsibility for these repercussions should be shared by Grigoriy Yavlinskiy, who essentially started all this. Yavlinskiy was not in London, and this fact was to a large extent more significant than the actual text read out by Gorbachev.

A year ago the "500 days" program was the economic banner of the "democrats."

Today, however, a situation which at first sight seems paradoxical has taken shape around Yavlinskiy's second program: Yeltsin and Gorbachev are uniting precisely around the idea suggested by Yavlinskiy: "reforms—to our assistance." But in the democratic press and in the corresponding political circles—silence, broken by insipid flashes of skepticism. Yavlinskiy saw it in the water, it seems, declaring at his first news conference since his return from the United States that the main

danger for the "Consent to a Chance," was a lack of understanding of his "chance" on the part of the democrats.

Considering the lessons of the "500 days," Yavlinskiy promised the complete openness of all political maneuvers around the new program, no backstage games, and so forth. However, all that concerns both the fate of the program and the content of Gorbachev's proposals at the London meeting was covered by no less a fog than the games during the "rise and fall" of the "500 days".

But no blame accrues to Yavlinskiy in this information diet. The present apathy of the democrats is explained not by misgivings apropos the economic concept. It is entirely a matter of personalities (or, more precisely, personification).

Last year's unity around the "500 days" was evoked by the fact that the program was seen as a method of removing the Ryzhkov government. On the other hand, Yavlinskiy's initiative evoked no misgivings among prominent Russian democrats: the office of vice premier of the republic seemed sufficient for the "young specialist."

Today the situation is the direct opposite. It is heard repeatedly in the corridors of the Russian "White House" that "the sole person to come out the winner in any eventuality is Grigoriy Alekseyevich Yavlinskiy." The recognition of this fact has clearly not enthused those doing the recognizing.

All the information pertaining to the strategic issues of economic policy is being let pass without attention, practically, by Russian democrats as long as it is not directly connected with personal attacks, personal ambitions, and possible displacements. The personification of Russian political games has today reached its apogee, when the new presidential structure is being shaped, generally speaking, not by function and competence but by names "in accordance with a submitted list."

Whereas a barely audible sputtering has been heard from political circles of the democratic school addressed to the "Consent to a Chance," the liberal economic public has greeted the program with sharp criticism, whose restraint is explained only by profound skepticism as regards the possibility of its success.

There are grounds for this. Aid in the amounts envisaged by the program is attainable only given the large-scale attraction of private investments. But the economic and political conditions for their attraction would seem wholly insufficient. All the more strange seem the statements of Yavlinskiy and his colleagues to the effect that "we are not Mali but a great power" and therefore have a right to expect special conditions of admittance to international financial organizations. But it is incomprehensible who needs these "special conditions," which include, to all appearances, the possibility of concealing the size and structure of the internal debt, foreign assistance, actual military spending, currency and gold reserves, and monetary and credit emission. In any event, these figures are inaccessible to the authors of the "Consent to a Chance," as they were inaccessible to the authors of the "500 days" also. And Grigoriy Alekseyevich, out of pride, obviously, preferred to abandon attempts to obtain them. But entirely fortuitously, on the eve of the London meeting the USSR State Bank made public its own "penultimate secrets"—the consolidated balance as of 1 January 1991. But this revelation also essentially reveals nothing other than the fact that even adaptation to the accepted world forms of accounting cannot conceal the deplorable state of our state finances.

Nonetheless, I venture to maintain that the economic problems of the Yavlinskiy program have an exclusively political origin. Inasmuch as he is, as in the "500 days" business, acting primarily as a politician. Yavlinskiy is the first real politician among serious economists. In this sense he is beyond competition and for this reason evokes misunderstanding or dislike among figures of opposite political camps.

Yavlinskiy's problem is that he is playing on the basis of specific and precise political calculation... but under the conditions of a marginal political situation. A situation where outside circumstances and "political chips" may be arranged extremely propitiously, but there are no economic and political conditions for the implementation of this reform. Remarkable words were spoken by prominent Soviet economist Yevgeniy Yasin: "If today Yavlinskiy becomes premier, his place will be taken tomorrow by Kurginyan.... We do not have enough people like Yavlinskiy. He needs to be preserved."

Yavlinskiy is playing to win, has to play when he "has a good hand," when there is a possibility of seizing the chance. The idea of forcing Gorbachev to pass sentence on his new program not from the rostrum of his own Union parliament but before the full synod of his Western admirers is ultimately highly amusing.

Yavlinskiy, on the other hand, does not need to be preserved against anything other than cheap eulogy and exultant commentary. He and his team are strong enough to survive one further defeat. One experienced from two hard knocks is better than four who have experienced none.

Commentary Assails 'Purge' of CPSU Archives

PM3107101791 Moscow KOMSOMOLSKAYA PRAVDA in Russian 26 Jul 91 p 1

[Article compiled by V. Chelikov: "If the Archives Are Being Destroyed, Does This Mean That Somebody Needs This To Be Done? Two Views of the 'Purge' of Party Documents"]

[Text] An expert appraisal of the scientific and historical value of the documents in the country's party archives has begun. Some of them are to be destroyed.

"Which ones?" was the question put to I. Kitayev, chief of the Central Party Archives at the CPSU Central Committee Institute of the Theory and History of Socialism.

[Kitayev] "First, files dating from 1946 through 1985 that relate tc admission to CPSU membership and registration of leading cadres (files relating to the period prior to 1946 were removed during previous expert appraisals). Every Communist has a party card and other documents that clearly indicate his citizenship, place of work, and official position... Why should the same information be stored in the party archives?

"Second, personal files on Communists who have incurred a party penalty will be destroyed. In this country even criminal convictions are removed from the record after 10 years.

"And finally, we are destroying information about the activity of state and economic organs, institutions, and enterprises, since this is duplicated in the national economic archives, where it is kept in perpetuity. And it will be possible to obtain from us all the information about the role of party organs in the management of the economy, from the stenographic records of party meetings, conferences, and congresses, which are kept in perpetuity.

"In addition, files containing documents that relate to CPSU, scientific, and cultural figures, heroes of the Soviet Union, heroes of Socialist Labor, Great October veterans, V.I. Lenin's comrades in arms, and many others, are never destroyed."

[Chelikov] "Can you guarantee that other files, whose publicizing would be 'undesirable,' will not be removed along with documents that really are unnecessary?"

[Kitayev] "A document relating to the destruction of files is signed by an archives staffer. He then hands this over to an expert-verification commission. After the documents have been destroyed, a note of the surnames and positions of the people who carried out the work, along with the date, is made on the document. In my view, therefore, there is no possibility of abuses being perpetrated."

[Chelikov] "Is the current expert appraisal not connected with the fact that this fall new 'CPSU Archive Stock Regulations' may be adopted which will make it easier to gain access to the archives?"

[Kitayev] "No. This is normal routine work."

Commentary by B. Ilizarov, archives director at the Russian University of the Humanities:

In civilized countries a party's archives belong to the party alone. But in our country the situation is different. For a long time the CPSU was, and indeed remains, a part of the state apparatus. Therefore its archives are not an internal party affair. The documents currently locked away are accessible only to members of the CPSU; they must be handed over to government control.

The current destruction of these files is an attempt to conceal things so that nobody will be any the wiser. The removal of personal files will hide the crimes committed by some party members. But to say that even criminal convictions are removed from the record after 10 years is laughable: Files containing convicted persons' cases are kept for 75 years.

Without primary information about the activity of state and other organs it will be impossible to track the CPSU's true role in the history of society. On the other hand, we will be unable to find out where the party got its income from, how much it received, and how this money was used. And the stenographic records of the congresses at which the party praised itself are riddled with falsehoods.

It is also easy to see why files on heroes and scientific and other workers are kept in perpetuity. They represent the ceremonial, noble, and selfless activity of the CPSU.

Throughout my working life I have never once recalled a case of somebody being punished for destroying documents. But the penalty for not destroying a document which has entered the public domain is very harsh.

I believe that before the law on archive files is adopted, a ban on the destruction of documents in any archive should be imposed. At the moment they are being pilfered. Many documents are falling into the hands of just anybody who, like the state, wants to profit from them. Recently, for example, one man offered our archive the letters of Fanny Kaplan [who attempted to assassinate Lenin in 1918]...

Zhirinovsky Seeking To Restore 1977 Constitution

OW3107103991 Moscow INTERFAX in English 1830 GMT 30 Jul 91

[Following item transmitted via KYODO]

[Text] The President of the USSR Liberal-Democratic Party [LDP] Vladimir Zhirinovskiy visited the Dnestre Moldavian Republic July 29. In Tiraspol he met with the united council of labour staffs and with the population. The Palace of Culture seating a thousand people was packed. Zhironovskiy's speech was often interrupted with applause, particuarly when he declared that the republic's population had used their constitutional right by forming their state in an elegant, lawful and European way. He pledged in case he won USSR Presidency of which he is quite confident, that one of his first decrees would recognize the Dnestre Moldavian Republic.

The leader of the Liberal-Democratic Party promised to be a severe president demanding strict compliance with law, and banning all organisations calling for dismembering the USSR. "If it's not me after Gorbachev," he said, "the country is sure to have a dictatorship".

He would cancel the Union Treaty and restore the 1977 Constitution, with only one President—of the USSR.

He sees the best solution of the nationalities problem in returning to the administrative division into regions. He would appoint Victor Alksnis Governor of the Baltic Region,—he has the man's consent for that.

TASS Reviews 31 Jul Soviet Central Press

LD3107070491 Moscow TASS in English 0642 GMT 31 Jul 91

["Soviet Press Review"—TASS headline]

[Text] Moscow July 31 TASS—Newspapers highlight the first day of U.S. President George Bush's stay in Moscow.

They publish speeches Mikhail Gorbachev and Bush exchanged at an official welcoming ceremony in the Kremlin, report a two-hour one- to-one meeting the two presidents had and subsequent talks involving more officials.

The sides focused on economic relations between the Soviet Union and the United States in the wake of the G-7 summit in London.

PRAVDA publishes Bush's speech before Soviet public representatives at the Moscow institute for foreign relations.

On Tuesday, Bush also met Russian President Boris Yeltsin, newspapers report. PRAVDA publishes speeches by Gorbachev and Bush at a dinner, hosted by the Soviet leader in the honour of Bush and his wife Barbara.

Five documents designed to promote Soviet-U.S contacts in various spheres were signed on Tuesday at the summit, newspapers report.

"Already the first day of the Moscow summit gave an answer to the key question that every unbiased observer has been asking: Will the sixth Gorbachev-Bush summit become another working meeting, a memorable date marking the signing of the START treaty, or will it open a new era in Soviet-American relations? The answer is apparent," political analyst Tomas Kolesnichenko writes in PRAVDA.

The START treaty will serve as a basis for new agreements to reduce and scrap nuclear weapons, V. Chernyshov, deputy general director of the Russian-American University Centre for International and Military-Political Research, writes in SOVETSKAYA ROSSIYA.

RABOCHAYA TRIBUNA and SELSKAYA ZHIZN publish parts of a transcript of Mikhail Gorbachev's meeting with workers- and farmers-members in the Soviet Communist Party Central Committee and Central Control Commission on July 26, after the party plenum. Soviet parliament Chairman Anatoliy Lukyanov and Prime Minister Valentin Pavlov answered questions together with Gorbachev. "This was a friendly, frank discussion between leaders and representatives of work collectives," the newspapers write.

KRASNAYA ZVEZDA publishes an interview with Soviet Army logistics chief Vladimir Arkhipov, who speaks about market relations in the Army.

The newspaper runs a story about Gleb Lozino-Lozinskiy, the chief designer of the Buran space shuttle.

SOVETSKAYA ROSSIYA publishes an article by Yuliy Shaposhnikov, director of the Soviet research institute for traumatology and orthopedics. Economic losses from injuries amount to 6.4 billion roubles a year, he said.

PRAVDA carries an interview with Deputy USSR State Bank Chairman Vyacheslav Zakharov, who speaks about changes in the Soviet monetary and crediting policy.

PRAVDA carries an article by V. Zaytsev, general director of Omsk's Polyot plant, about enterprise, conversion and market relations.

Zaytsev said the Soviet drive to convert military plants to civilian production is poorly organised.

SELSKAYA ZHIZN comments on a drought in Novosibirsk region.

TRUD carries an interview with Deputy Soviet Prime Minister B. Rakhimov, who comments on medicine shortages in the country. A total of 2.4 billion hard currency roubles has been allocated to import drugs this year, Rakhimov said.

SOVETSKAYA ROSSIYA comments on mismanagement at Volga shipping companies.

Economic

*Second Quarter 1991 Goskomstat Statistics

914A0989A Moscow EKONOMIKA I ZHIZN in Russian No 30, Jul 91 Supplement pp 1-3

[Report: "The USSR Economy in the First Half of 1991: USSR State Statistics Committee Announcement"]

[Text] The results of the first half year attest to the extremely complex situation in the national economy. A reduction in production volumes is characteristic of all its sectors.

In May-June, the increasing decline in production that had formed in the first four months stopped. The average daily output of industrial products in the last two months is maintained at the April level. The situation with respect to supplying products to the all-Union fund has improved somewhat. A certain replenishing of consumer reserves in retail trade has begun.

On the whole, however, the country's economic situation remains tense and unstable.

The gross national product during the first half year, as compared with the corresponding period last year, dropped by 10 percent, the national income produced—12 percent, and overall labor productivity—11 percent.

In industry, short delivery according to contracts is increasing and the difficulties of material-technical support are becoming acute, which often causes production stoppages. The agroindustrial complex is not ensuring last year's production level. The program outlined for capital construction is not being fulfilled. The rates of technical updating of the production potential have been reduced. The foreign trade turnover volume has dropped considerably.

A critical situation has formed in the sphere of State finances. The huge deficit of the Union budget and the disruption of the unity of the country's financial, credit, price and tax policy make it very difficult to rehabilitate the economy. Inflation is growing.

The results of the first half of 1991 are characterized by the following basic indicators (in actual prices; billion rubles):

	1st half of 1991	
	actual	in percent of 1st half of 1990 (in comparable prices)
Industrial production	869	93.8
consumer goods production	323	95.5
including:		
foodstuffs	111	91.5
non-foodstuffs	180	97
of them, light industry goods	76	90
alcoholic beverages	32	100.7
Agricultural products (in comparable prices)	55.5	89
Putting fixed capital of State enterprises and organizations into operation (according to estimated cost, in prices on 1 January 1991)	55.3	80
Capital investments in State enterprises and organizations (estimated value, in prices on 1 January 1991)	107.1	94
including:		
centralized	42.2	84
of them:		
financed through union budget funds and resources of all-union economy stabilization fund	18.2	
resources of investment funds of enterprises and organizations	64.9	102
Number of population employed, mln. persons	135.0	99.0
Resources directed toward average consumption per worker and employee per month, rubles	353	130
Average monthly wage of kolkhoz workers in public kolkhoz industry, rubles	233	127
Monetary income of population	433.8	143.5*
Expenditures of population to purchase goods, paid services, obligatory payments and voluntary contributions	363.1	134*
Increase in population contributions and sale of securities by institutions of the USSR Savings Bank	41.5	double *
Retail commodity turnover of State and cooperative trade	296.4	88
Paid services	40.4	85
Consolidated index of retail prices (for goods and services)		155.5
	*In actual prices	

Finances and Monetary Circulation

In the first half of the year the country's financial situation became critical.

The Union budget deficit for the five months was over 39 billion rubles [R] and was 46 percent higher than the maximum yearly level, and the State internal debt (allowing for compensation for deposits and securities) by 1 July was about R800 billion.

The unsatisfactory fulfillment of the Union budget is related to both the complex general economic situation

in the country and to the fact that the individual republics have not ensured the intake of revenues to the Union budget specified by the agreement in 1991 to stabilize the country's socioeconomic situation.

Some R45.6 billion worth of revenues (38.5 percent of the plan for the first half year) went into the Union budget during January-May, and expenditures were R84.6 billion (58.7 percent). Some R10.8 billion (51.7 percent) in funds from the republic budgets were received to finance the all-State programs, profit tax—respectively 6.5 (34.1 percent), sales tax—2.5 (13.8 percent), revenues from foreign economic activity—12.8 (30.7 percent), fees and various non-tax revenues—7.8 (75.4 percent).

Some R7.6 billion (9 percent of all the expenditures) were directed from the Union budget to finance the national economy, respectively, for science—5.1 (6 percent), to service the State internal debt—2.3 (2.7 percent), for military expenditures—38.6 (46 percent), for social-cultural measures—6.7 (8 percent), to maintain the organs of State authority and management—4.5 (5 percent), expenditures related to foreign economic activity—4.0 (4.7 percent), and for target programs—2.7 (3 percent).

The fact that the increase in social payments and the rise in wages took place during a reduction in production volumes had a negative effect on the state of the entire budget system.

The formation of an all-Union extra-budgetary fund to stabilize the economy has not proceeded satisfactorily. According to the planned calculations, the expenditures from it for the year should constitute R68.4 billion. On 1 June, R7.9 billion went to the all-Union economy stabilization fund. Of them, enterprises submitted R1.9 billion, R3 billion were bank loans and R3 billion were budgetary funds. Some R6.1 billion were spent from the fund, mainly R6.0 billion for centralized capital investments.

This year a considerable increase in profit is being observed as the result of the rise in wholesale prices. The profit of enterprises and organizations (not counting agricultural organizations, Gosstrakh and consumer cooperatives; Lithuania, Estonia and Georgia, which did not present reports) in January-May was R151.0 billion, which is 1.7-fold more than in the corresponding period last year.

The profit from industrial enterprises increased by a factor of 1.9, from contracted construction-installation organizations—by a factor of 1.8, supply and sales—by a factor of 1.7, procurements—by a factor of 1.6. At the same time, in some sectors of the national economy there was a reduction in profit: for transport—by 2 percent, for trade and workers' supply departments—by 18 percent, and for everyday service enterprises—by 82 percent.

Credit investments in the national economy in January-May increased by R131.3 billion (by 36 percent), and on 1 June constituted R495.9 billion, which stemmed mainly from the increase in expense of the projects for which credit was extended.

In the first half of the year, earlier-implemented centralized measures for the social program continued to be carried out, but for those not completed in 1990, the expenditures for this purpose in the first half year of 1991 were over R11 billion. At the same time, new measures were carried out in this period, and the expenditures for them were, as estimated, about R12 billion.

The monetary income of the population was R433.8 billion and rose by R131.6 billion as compared with the corresponding period last year.

Estimated per worker in the national economy, in January-June a monthly average of about R350 of funds was directed toward consumption. As compared with the first half of last year they increased by R85, or more than 30 percent, and approximately half of this increase stemmed from the payment of compensations to offset the rise in retail prices and tariffs. In April-June, these payments to workers constituted R27 billion. The total amount of compensation payments, including payments to pensioners, students and other categories of the population, rose R49 billion.

In 1991, measures begun in the preceding years continued to be carried out to raise wages for the workers in higher educational institutions, public health and social security and culture, as well as workers of enterprises and organizations located in Krasnoyarsk Kray and Irkutsk Oblast, the Tuva and Buryat republics, the southern regions of the Far East and Chita Oblast, for whom allowances were introduced for continuous length of service, and for certain other categories of workers.

In addition, in relation to the adoption of additional resolutions in this period by the USSR Cabinet of Ministers and the governments of individual republics, other measures were implemented to raise the wage level. In particular, in order to strengthen the social protection of workers in the coal industry, their wage fund in April-June was increased by 25 percent, on condition of fulfillment of the plans adopted by the enterprises for coal extraction and processing.

Payments for insurance compensation and insurance sums for the population were R4.4 billion in January-June.

The average per capita monetary income for the families of workers and employees increased as compared with the corresponding period last year by 36 percent and was R232 per month, and for kolkhoz workers—respectively by 40 percent and R182.

The expenditures of the population to acquire goods and pay for services (consumer expenditures) increased by 36.3 percent.

The consolidated index of consumer prices, calculated according to the fixed consumer "basket" of the population in 1989, under the conditions of 1991 prices

(according to their registration for representative commodities in State and cooperative trade), in January-May was 148.5 percent as compared with the same period last year. With respect to food products, the cost of the fixed "basket" was 59 percent more than in the corresponding period last year, and for non-foodstuffs—55 percent more, and services grew 22 percent more expensive. For the population with inadequate means, the value of the consumer "basket" rose by 51 percent, which is somewhat more than for the entire population.

The deposit balance of the population in institutions of the USSR Savings Bank on 1 July reached R421.4 billion, having increased during the half year by R40 billion, or by 10 percent. In addition, the compensations for deposits constitute R160 billion, of which R35-40 billion can be received after 1 July 1991.

The population's cash on 1 July was about R150 billion (on 1 January—R132.7 billion).

Price and Tariff Dynamics

As the result of the reform in price formation carried out at the beginning of the year, the overall level of prices for a group of goods and services of the gross national product in January-June, as compared with the corresponding period last year, rose by a factor of 1.8, including a rise by a factor of 2 in June.

The rise in the overall price level made it possible to bring the prices and expenditures in the extracting industry, in agricultural production and a number of other sectors into greater conformity; the prices approached the socially necessary labor input; a more favorable financial basis was created for the transition of the enterprises to market relations.

The rise in wholesale prices in industry in June, as compared with June of last year, was 222 percent; in retail prices and tariffs for goods and services—191 percent.

The dynamics of wholesale prices for products for production-technical purposes and consumer goods is characterized by the following data (in percent of the corresponding period last year):

	January-March	April	May	June	January-June
Industry—total	183	212	218	222	200
including:					
products for production-technical purposes	185	200	211	214	197
consumer goods	180	223	235	236	206

These dynamics were in many ways formed as the result of the gradual introduction of new prices and non-identical scales of applying contractual prices in different sectors of industry.

At the present time, in consideration of the expansion, since April, of a group of consumer goods, for which contractual (unrestricted) prices were established, and the granting of rights, to enterprises in certain sectors and a number of regions, to sell at contractual prices some of their products for which fixed prices had been established, the share of the output sold according to contractual and unrestricted prices, as a whole for industry, is estimated at 45 percent, including 40 percent of the products for production-technical purposes and 60 percent of the consumer goods.

The parallel existence of fixed and contractual prices, as well as the partial sale at contractual prices of a number of types of products, for which fixed prices had been established, will make conditions unfavorable for enterprises working according to fixed or primarily according to fixed prices.

The price index for goods sold to agricultural enterprises (through all channels of sale) was 161 percent in the first quarter of 1991, as compared with the same period last year. At the same time, wholesale prices for industrial goods used in agriculture rose by 70 percent.

The data on the change in prices for consumer goods in the first half of the year, by forms of trade (in percent of the corresponding period of 1990) are:

	1st half	2nd quarter	June	June 1991 in percent of May 1991	Reference volume of sale in 1st half of 1991 in percent of total
State and cooperative trade	156.9	195.5	197.0	101.0	95.0
Gorkooptorgi	183.9	215.3	212.0	98.2	2.7
total	157.5	196.0	197.3	100.9	97.7
Kolkhoz market	184.4	191.8	187.8	86.6	2.3
Consolidated retail price index	157.9	195.3	195.3	99.9	100

Given the general rise in prices at State trade stores in the second quarter, as compared with the same period last year, for food products they rose by a factor of 2.3, and to a greater extent for meat products (by a factor of 2.7), grade I beef (3.8), cooked sausage (3.1), fish products (2.7), bread products (2.5), sugar, animal oil and potatoes (2.6), white cabbage (3.1) and common onions (3.5).

With the rise in prices for foodstuffs, the markup for public catering also rose. As a result, for example, the cost of a four-course dinner rose, on the average, at popular enterprises (for a random group of cities), by a factor of 2.1, in dining halls at industrial enterprises—by a factor of 2.6, and the cost of a complete dinner at school dining halls increased similarly.

The price index for non-foodstuffs in the second quarter was 206 percent as compared with the same period last year.

All types of clothing and footwear doubled or tripled in price, and some types of children's items, such as cotton dresses for school-age girls, rose by a factor of 3.7, wool-blend trousers for school-age boys—by a factor of 4.2, and footwear for very small children (baby shoes)—by a factor of 5.3.

On the whole, the prices for a group of durable goods only doubled in relation to the second quarter of 1990, but for school notebooks they rose by a factor of 3.3, for furniture and musical instruments, carpets and carpet items—by a factor of 2.3-2.9, and for china and porcelain dishes, jewelry, building materials and electrical appliances—by a factor of 2.1-2.2.

Information obtained in June by statistical bodies attests to the increase in speculative prices: in April-June, as compared with the corresponding period last year, "black" market prices doubled. As before, they are much higher than the prices for State trade: for some types of foodstuffs—by a factor of 3-5, for clothing and footwear for adults—by a factor of 3-5, for children—by a factor of 2-4, for building materials—by a factor of 3.9, passenger vehicles—by a factor of 4.6, and for medications—by a factor of 14.

In the first half of 1991, the level of prices and tariffs for paid services for the population rose by 39.5 percent. This was to the greatest extent true of tourist-excursion, everyday services and passenger transport services, for which the rise in prices was respectively 86.7 percent, 55.2 percent and 52.9 percent. Prices for laundry and hairdressing rose by a factor of 1.7, for repair of housing (apartments, houses), repair of garments, cleaning and dying—by a factor of 1.6. Tariffs for passenger transport rose at the same time as the reforms in retail prices, and virtually monthly. There was a particular rise in the tariffs for tram and subway transport—by a factor of 2, and for trolleybus transport—by a factor of 1.8.

The rise in prices for cultural services continued, and in the first half year they rose by 40.6 percent.

Housing and municipal services increased in price to a lesser extent (by 2.7 percent), for school institutions (2.3 percent), and for legal and USSR Savings Bank services (1.4 percent).

THe consolidated index of retail prices and tariffs for consumer goods and paid services for the population, calculated on the basis of the price registration for representative goods (services), taking into consideration, along with the change in prices for State trade, the effect of prices in gorkooptorg [State cooperative trade organization] stores, on the kolkhoz market, and the products of cooperative and individual labor activity, as compared with the corresponding period in 1990, on the whole for the first half of the year was 155.5 percent, including 190.0 percent in the second quarter. Retail prices for consumer goods rose respectively by 58 percent and 95 percent; for services—by 39.5 percent and 57.6 percent.

Social-Demographic Processes and Population Employment

In the first half of this year, the indicators of the birth and death rate remained virtually at the level of the corresponding period last year—16.9 births and 10.8 deaths per 1000 persons of the population. The stabilization of this level of the birth rate is maintained because of the republics of Central Asia and Azerbaijan, where there was a 5-12 percent increase in the number of births.

At the same time, in Estonia, the RSFSR, Belorussia and Moldova, the number of births noticeably decreased, and the number of deaths increased, and as a result, a 79-22 percent [as published] reduction was noted in the natural population growth. In the Ukraine, during the first half of the year, the number of deaths exceeded the number of births by 17,000 persons.

In the first half of 1991, about 180,000 USSR citizens obtained permission to go abroad to take up permanent residency, or almost 15 percent fewer than in the analogous period of 1990.

Labor resources in the first half of the year exceeded 164 million persons. Of the population, 135 million persons were employed in the national economy, 4.2 million in the armed forces, and 11.6 million were in training with leave from production.

The change in the economy is substantially reflected in the distribution of the labor resources (in million persons):

	1st half	
	1990	1991
Total employed	136.4	135.0
in State sector	114.5	111.9
in cooperative sector	17.7	18.6
including:		
kolkhozes	10.8	10.7
consumer cooperative	3.5	3.4
cooperatives to produce goods and services (without counting combined workers)	3.4	4.5
in individual sector	4.2	4.5
peasant farms	0.1	0.1
personal subsidiary farms	3.9	4.2
individual labor activity	0.2	0.2

The process of creating new forms of economic activity took a more active course.

Lease relations continue to be intensively developed. In the first half of the year there were 3,700 leased enterprises operating in industry, at which 2.2 million workers were employed, and over R70 billion worth of goods were produced. At trade, public catering and everyday service enterprises (about 5,000 leased enterprises), over 2 million people were employed, and they sold goods (rendered services) worth over R73 billion.

On 1 July, there were about 70,000 peasant farms functioning in the agrarian sector of the economy, which is 1.7-fold more than at the beginning of the year.

In the first half of the year there were 255,000 cooperatives in operation, with 6.5 million persons working (including people holding more than one job), and R42 billion worth of goods were produced.

The change in banking structures is characterized by the activity of about 1,500 commercial (cooperative) banks in the first half of the year.

The problem of further reinforcement of labor discipline remains a serious one for the national economy. In the first half of 1991, over 30 million man-days were lost because of absenteeism, stoppages, management-excused failure to appear and mass absences. This stemmed from strikes and production stoppages due to short delivery of raw material, materials and completing items.

In January-June, 900 enterprises went on strike. Some 400,000 workers took part in the strikes, and over 4 million man-days were lost, including 3.9 million in March-April. The wave of strikes fell sharply in May-June. Losses of work time occurred at 85 enterprises during these two months and constituted 300,000 man-days.

The practice of granting management-excused leaves has expanded. This is to a certain extent caused by the increasingly frequent enforced idle times at enterprises due to disruptions in material-technical supply.

The Consumer Market and the Sphere of Services

The output of consumer goods dropped 4.5 percent as compared with the first half of last year. Some 8.5 percent less foodstuff was produced. The reduction was permitted in all the republics. The production of some extremely important types of food products is given below (in million tons):

	1st half of 1991	
	actual	in percent of 1st half of 1990
Meat (industrial output)	5.5	87
Sausage items	1.7	90
Food fish products, including tinned fish	2.5	91
Whole milk products (in percentage of milk)	15.9	90
Animal oil	0.6	87
Fatty cheeses	0.4	86
Margarine products	0.6	78
Granulated sugar	2.6	69
Vegetable oil	1.7	98
Confectionery items	2.5	93
Bread and roll items	15.3	106
Flour	20.2	102
Groats	2.5	99.3
Macaroni items	1.0	106
Tinned, billion conventional containers	6.6	93
including fruit/vegetable	4.1	97
Mineral waters, mln. decaliters	62.6	75

The production of alcoholic beverages (converted to absolute alcohol) was 67 million decaliters, which is 2 percent more than in the first half of last year. In this case the production of vodka and liqueur-vodka items increased by 10 percent. The cognac output was reduced by 23 percent, grape wine—by 17 percent, champagne—by 4 percent and beer—by one percent.

The reduction in the production of foodstuffs was related to the reduction in receipt of agricultural raw material for the processing enterprises. The supplies of cattle and milk for processing in the first half of the year dropped by 13 percent and sugar-raw material dropped by 24 percent and the fish catch was reduced by 9 percent.

The output of non-foodstuffs for national consumption is characterized by the following data:

	1st half 1991	
	actual	in percent of 1st half year 1990
Television sets, mln. units	5.0	98
Refrigerators and freezers, mln. units	3.3	99.4
Radios, mln. units	4.4	97
Phonographs, mln. units	3.3	106
Videotape recorders, thous. units	131	72
Sewing machines, thous. units	818	96
including "zig-zag" type	519	101
Washing machines, mln. units	3.8	99.8
Electric vacuum cleaners, mln. units	3.0	107
Electric meat cutters, thous. units	504	137
Electric irons, mln. units	7.5	90
Motorcycles, thous. units	485	95
Bicycles (not counting children's), mln. units	2.9	98
Passenger vehicles, thous. units	602	95
Wallpaper, mln. conventional pieces	286	107
School notebooks, mln. units	2,157	90
Primary cells and batteries, nickel-cadmium cylindrical storage batteries with 10 amp/hr, mln. units	468	86
Greenhouses, including sets of parts for them, frames and equipment units, thous. units	60	84
Detergents in small packages, thous. tons	522	85
Household soap, thous. tons	306	79
Toilet soap, thous. tons	131	79
Cigarettes, bln. units	160	96
Fabrics—total, mln. sq. m	5897	89
including:		
cotton	3,753	92
silk	970	89
wool	318	85
Knitted items, mln. units	844	86
including:		
for children	468	82
Hosiery, mln. pairs	941	85
including:		
for children	356	89
men's socks	340	89
women's pantyhose	140	78
Footwear, mln. pairs	366	89
including for children	163	86

After the April reform in retail prices under the conditions of minimal commodity reserves, a drop in industrial production and a considerable cutback in import receipts, the anticipated stabilization of the situation on the consumer market did not take place.

In the second quarter, as compared with the corresponding period last year, the retail commodity turnover at the existing prices increased by R52.6 billion, or by 47.3 percent. Approximately half of the commodity turnover volume, however, was obtained through the rise in prices. In comparable prices, the commodity turnover was reduced by 25.3 percent during this period.

On the whole for the first half of the year, as compared with the same period last year, commodity turnover at the existing prices was 37 percent higher than in the first half of 1990, and at comparable prices—12 percent lower.

The sale of some consumer goods in State and cooperative trade in the first half of the year is characterized by the following data:

	In percent of corresponding period of 1990 (in comparable prices)	
	1st half of 1991	2nd quarter of 1991
Meat and meat products	84	77
Fish and fish products	80	76
Animal oil	80	75
Vegetable oil	95	70
Margarine products	82	65
Whole milk products	92	86
Cheese	81	78
Eggs	85	76
Sugar	88	77
Confectionery items	89	81
Tea	90	75
Bread products	96	85
Potatoes	90	88
Vegetables	88	87
Fruits, citrus fruits	116	122
Non-alcoholic beverages, mineral waters	71	70
Fruit and vegetable juices	67	67
Alcoholic beverages	103	106
Tobacco items	92	87
Clothing, linen and fabric	78	45
Knitwear	77	50
Hosiery	70	50

	In percent of corresponding period of 1990 (in comparable prices)	
	1st half of 1991	2nd quarter of 1991
Leather footwear	70	50
Soap and detergents	80	67
China-porcelain, pottery and glass dishes	74	54
Furniture	75	70
Radios	79	68
Television sets	80	82
Refrigerators and freezers	78	76
Washing machines	79	76
Electric vacuums	89	94
Tape recorders	87	81
Motorcycles and motor scooters	85	75
Bicycles and mopeds	90	85
Passenger vehicles, through current production	99	97
Watches	100	98
Cameras	106	115
Sporting goods (not counting clothes and footwear)	127	125

In the last few months, the situation with respect to providing the population with some types of foodstuffs has somewhat normalized. Virtually everywhere, trade in bread and bread products has been carried out without interruption, and in a number of regions an improvement was noted in trade in eggs, animal and vegetable oil, pastry items made with flour, and several other products. At the same time, trade in flour and some types of groats is intermittent. In many areas, the population continues to experience difficulty in acquiring meat and meat products. As before, the situation in potato and fruit and vegetable product trade remains extremely unsatisfactory.

Positive changes have been noted in the last few months in the fulfillment of obligations to supply meat and dairy products to the all-Union fund. The plan for supply was as a whole fulfilled in the first half of the year, for meat products, by 108 percent, dairy products, by 103 percent. Many republics, however, failed to fulfill their obligations to supply these products, and this has a destabilizing influence on the foodstuffs market. For example, the Ukrainian plan for supply for the first half of the year was fulfilled, for meat products—by 96 percent, for dairy products—by 64 percent; in Lithuania, respectively by 62 percent and 84 percent, Moldova—by 65 percent and 40 percent, Latvia—by 95 percent and 82 percent, and Kazakhstan—for meat products—by 74 percent. The plan for the first half of the year for supply of egg products to the all-Union fund was 86 percent fulfilled.

The volumes of inter-republic supply of sugar, confectionery items, margarine and tea in the first half of the year, as compared with the corresponding period last year, were reduced by a factor of 1.4-2.4. Since the beginning of the year, the plan for supply of margarine products has been fulfilled by 51 percent, for sugar, by 58 percent and for confectionery items, by 79 percent.

There is no noticeable improvement in trade in non-foodstuffs. The drop in the production of light industry goods and the reduction in import procurements make it impossible to fill store counters with the products of this sector. There are not enough garment and knitwear items with qualities valued by the consumer, nor footwear, knit underwear, fabric and hosiery items. At the same time, there has been a slowdown in the sale of goods which do not conform in quality to the high prices asked.

The situation is complicated by the violation of obligations for inter-republic supplies. In the first half of the year, as compared with the same period last year, the volume of inter-republic supplies of knitwear, hosiery, garments and leather footwear dropped by a factor of 1.5-1.8.

Due to the high prices, the demand for some cultural-everyday and household items has fallen—jewelry, home computers, film projectors, electric fireplaces, electric radiators, etc.

Trade in very simple items for household purposes has relatively stabilized. As before, however, the demand for most of these goods exceeds the supply.

The population is provided with intricate-technical durable goods—furniture, household equipment and hardware, means of transport, etc., as before, mainly through various distribution channels. The situation concerning trade in timber and building materials has become extremely critical.

Some R40.4 billion worth of paid services were sold in January-June, which in actual prices is 18.5 percent more than in the first half of the preceding year. In comparable prices, the volume of paid services was reduced by 15 percent, and in the second quarter, by 20 percent.

Housing and Social-Cultural Construction

State enterprises and organizations erected 21 percent fewer apartment houses, 28 percent fewer general education schools, 24 percent fewer preschool institutions and hospitals, 2 percent fewer polyclinics and 41 percent fewer clubs and palaces of culture through centralized capital investments and the internal funds of enterprises and organizations than in January-June of last year.

Through the funds of the Union budget and the all-Union economy stabilization fund, apartment houses with a total area of 2.7 million square meters were turned over for operation, which is 20 percent of the prediction for the year. General education schools for 3,100 student spaces, or 6.5 percent, preschool institutions for 5,000 spaces, or 19 percent, hospitals for 100 beds, or 2

percent, polyclinics for 1,900 visitors a shift, or 13 percent, were turned over for operation.

At the beginning of 1991, the number of urban families and single people needing improved living conditions increased by 410,000 and constituted 14.5 million persons. Of them, in the first half of this year, housing conditions improved for over 600,000 urban families and single people, which is only 4.4 percent of the number of those in need.

In January-June, 127,300 apartments worth a total of R675.8 million were turned over (not counting the Baltic republics, Georgia, Armenia and Moldova). For the most part, the citizens buy back the apartments that they occupy (80 percent).

The State of the Environment

Measures to reduce emissions of pollutants into the country's air basin and reservoirs and introduce economic methods of managing environmental protection activity at enterprises are not yet exerting a substantial influence on reducing the strain on the ecological situation in many industrial centers and regions.

High levels of air pollution were established by USSR Goskomgidromet authorities in Arkhangelsk, Bratsk, Volzhok, Kommunarsk, Temirtau, Chimkent and other cities (a total of over 60), where the concentration of a number of substances exceeds the sanitation norms by a factor of ten and over.

Emissions of harmful substances into the atmosphere in the past period were reduced by 2.1 million tons, or by 7 percent. At the same time, almost one-third of the enterprises, just as last year, permitted a 1.5 million ton increase in the entry of pollutants into the atmosphere (in the first half of last year—1.4 million tons). In regions with a tense ecological situation, such as Irkutsk Oblast, this increase was 33,000 tons, and in Kemerovo—20,000, Sverdlovsk—38,000, Lugansk—36,000, Donetsk—62,000 and Karaganda—11,000 tons. A considerable increase in emissions was permitted at enterprises located in Leningrad, Moscow, Kiev, Dnepropetrovsk, Minsk and a number of other cities with over one million inhabitants.

In the second quarter, a high level of water source pollution was noted at 207 facilities (in the second quarter of 1990—at 242). The pollution of many of the country's reservoirs creates an unfavorable sanitary situation at mass recreation sites for the population. For example, in May-June, beaches were closed in the Crimea, Odessa Oblast, on the Apsheronsk Peninsula and the coastal area of the Bay of Riga.

In all, in the first half of the year, 1,500 cases of salvo (emergency) pollution of the environment were registered, including 1,168—water sources, 176—air and 166—soil (in the first half of 1990 there were respectively 2,100, 1,628, 296 and 168 cases).

The total amount of actions brought against enterprises by the organs of the USSR Ministry of Environmental Protection for violation of environmental protection legislation (allowing for actions brought earlier) was R72 million, and of fines for officials and individual citizens—R1.5 million.

Legal Violations

In the first half of the year, over 1.5 million crimes were recorded, or 20 percent more than in the corresponding period last year, and every seventh one is a serious one. Crime rose in Estonia—by a factor of 1.4, Lithuania—by 26.2 percent, Latvia—by 22.6 percent, and the RSFSR—by 22.1 percent. Some 657,800 recorded crimes remain unsolved, which is 34.5 percent more than in the first half of last year.

As compared with the same period last year, the number of premeditated murders and murder attempts increased slightly. The number of cases of premeditated serious bodily harm remained at the level of the first half of last year—29,500. At the same time, the number of cases of rape and rape attempts dropped by 7.6 percent, and was 10,900. Theft of weapons and ammunition were reduced by 7 percent (667 cases).

Attention is being drawn by a certain increase (from 6 percent to 8 percent) in the growth rates of crimes committed by minors or with minors as accessories, as well as by persons who had previously committed crimes or were in a state of alcoholic intoxication. At the same time, a considerable increase is noted in the number of crimes committed in a group. Over 150,000 of them have been recorded, which is 17 percent more than in the same period last year.

The highest rates of increase (51.5 percent) are noted in crimes connected with thefts of State and public property. Thefts of the personal property of citizens rose by 36 percent, including from apartments—almost by half.

Some 68,000 robberies and 13,000 robbery assaults were recorded, which is respectively 23 percent and 11 percent more than in the same period last year.

In January-June, 705,700 persons who had committed crimes were exposed, and of them, 101,400 were women (14 percent), 138,600 were unemployed and uneducated aged 16 years and older (20 percent). Some 70 percent of the persons who have committed crimes are held criminally responsible.

There remains the considerable number of people who have been victims of transport accidents. In January-May, 17,900 persons were killed and 101,300 injured in accidents with rolling stock, and on streets and highways. As compared with the same period in 1990, the number of victims was reduced respectively by 5.5 percent and 10.8 percent. In railroad transport for general use, nine persons died in accidents (in January-May 1990—21), and in air accidents—68 (60).

Industry

The change in the volume of industrial production, as compared with the corresponding period last year is characterized by the following data (in percent, in comparable prices):

	Average daily production	Total volume
January-March	96.6	95.0
April	93.4	93.4
January-April	95.7	94.6
May	93.4	93.4
January-May	95.3	94.4
June	93.9	91.0
January-June	95.0	93.8

In the last few months of the first half of the year, a further increase in production volume cuts was stopped. The absolute amount of average daily production in May and June as a whole remained at the April level.

The total production volume in June as compared with last year dropped to a greater extent than in April and May, which was caused by a work time fund that was smaller than in June of last year.

In the first half of the year the production of many types of goods in the basic sectors of industry fell in greater amounts than as a whole for industry.

With a 6.2 percent reduction in the total volume of industrial output in the first half of the year, the production of group "A" goods dropped by 7 percent, and the production of group "B" goods—by 3 percent.

Contractual discipline continues to deteriorate. The volume of short delivery of goods to consumers according to contracts concluded in June rose by R4.6 billion and in the six months was R17.9 billion (2.3 percent of the total product volume). This is 1.7-fold more than in January-June of last year (estimated according to comparable prices). Commitments to supply were not fulfilled for 17 percent of the enterprises. There is a higher proportion of these enterprises in the base sectors: in the chemical-timber complexes—50 percent, metallurgy—46 percent, fuel-energy—34 percent, and in the machine building complex—37 percent.

The numerous disruptions in supply according to contracts concluded, as well as the incompleteness of the contractual campaign (by the middle of April, only 91 percent of the intentions of the enterprises were formalized) were the reason for production stoppages due to short delivery of material resources at many enterprises. In the first half of the year production stoppages (as a rule, more than one shift) occurred monthly at 1,000-1,200 enterprises. The total loss of work time for this reason was about 12 million man-days, and the loss of output was over R3 billion.

The production of the basic types of goods in the fuel-energy and metallurgical complexes is characterized by the following:

	1st half of 1991	
	Actual	In percent of 1st half of 1990
Electric power, bln. kW/hr	864	99.1
Petroleum (incl. gas condensate), mln. t	263	91
Gas, bln. cubic m.	410	100.2
Coal, mln. t	320	89
incl. for coking	77.4	79
Steel, mln. t	69.9	88
Rolled ferrous metals (finished), mln. t	50.6	88
Steel pipes, mln. t	9.1	93
Iron ore, mln. t	107	90
Coke, 6 percent moisture, mln. t	34.5	87

A monthly reduction in petroleum extraction is observed in the petroleum extracting industry. The total reduction in the first half of the year as compared with the same period last year was almost 28 million tons, which makes the domestic supply of petroleum products considerably more difficult and limits export potentials.

As compared with the corresponding period last year, coal extraction dropped by 41 million tons.

In May-June, a certain increase in coal extraction was achieved as compared with the strike period (March-April). As before, however, the lagging behind in the performance of development work and the unsatisfactory provision of material-technical resources for the sector's enterprises have an adverse effect on the work of the coal extracting industry,

In the first half of the year, the reduction in the output of basic types of metal products continued. The strikes that took place in the coal-extracting regions of the country considerably affected the work of the metallurgical enterprises in the past period. Because of the lack of coking coal, virtually all the coke-oven batteries worked with a change in work procedure, and seven coke-oven batteries were shut down. The undersupply of scrap metal also had an effect.

In the machine building complex, the production of the basic types of goods also dropped:

	1st half of 1991	
	Actual	In percent of 1st half of 1990
Metal-cutting machine tools, thous. units	75.7	95
incl. with digital program control	9.7	82
Forge-press machines, thous. units	20.1	93

	1st half of 1991	
	Actual	In percent of 1st half of 1990
Electric motors, alternating current, mln. units	3.8	85
Motor vehicles, thous. units	967	92
incl.		
trucks	344	86
motorbuses	41.2	95
Tractors, thous. units	231	88
Grain harvesting combines, thous. units	29.9	90
Feed harvesting combines, thous. units	13.1	82
Excavators, thous. units	17.7	91

A serious situation formed with respect to the output of harvesting equipment for agriculture. The output of rolling stock for railroad transport is dropping.

At the same time, the output of machinery and equipment to re-equip the light and food industry is developing quite stably, on the basis of the conversion of military production. Its growth rates in the first half of the year were respectively 15 percent and 18 percent. The output of medical equipment and spare parts for it increased by 32 percent. The scale of medical equipment production, however, is insufficient, and a considerable number of medical institutions are experiencing great difficulty with the provision of modern apparatus and equipment.

The proportion of equipment new in principle in the overall output of machinery and equipment remains low (2-3 percent). In some sectors of machine building—hoisting-transport, tractor, shaft mining and ore mining, the motor vehicle industry—this proportion is even smaller (0.5-1.1 percent). The production of obsolete machinery and equipment is not being reduced. The relative proportion of items that have been produced for over 10 years is 24.6 percent.

The technical level of machine building product samples is significantly below that achieved in the world. On the whole, based on their combined characteristics, only four percent of innovations surpass the best world analogies.

The proportion of exportable machine building products (machinery and equipment manufactured in the USSR, the output of which is partly or totally for export) being sold for freely convertible currency is not over 2 percent.

In the chemical-timber complex, the drop in the output in the first half of the year touched virtually all the most important production, as is attested by the following data:

	1st half of 1991	
	Actual	In percent of 1st half of 1990
Mineral fertilizers (converted to 100 percent nutrients), mln. t	15.3	92
Sulfuric acid, mln. t	12.8	93
Soda ash, mln. t	2.0	85
Caustic soda, mln. t	1.4	94
Chemical fiber and filament, thous. t	651	84
Synthetic resins and plastics, mln. t	2.6	92
Pipes and pipeline parts made from thermoplastics, thous. t	75.8	78
Truck tires, mln. units	12.2	90
Passenger vehicle tires, mln. units	12.7	100.2
Medications, bln. rubles	4.1	103
Commercial timber (not counting timber procured by kolkhozes), mln. Fest-meters	125	87
Lumber (not counting products of subsidiary enterprises and non-industrial organizations), mln. cubic m	29.2	86
Paper, mln. t	2.9	93
of it, newspaper, bln. sq. m.	16.7	91
Cardboard, mln t	1.9	86

The volume of primary petroleum processing dropped (by 2 percent). The output of the most important petroleum products (motor vehicle gasoline, diesel fuel) was reduced by 4-5 percent, which caused additional difficulties in providing the national economy with these products.

The output of the most important structural plastic dropped. In June, as compared with June of last year, the output of polyvinyl chloride and polypropylene dropped by one-third, and of polyethylene—by one-fourth.

There has been no success in solving the problem of stable provision of chemical fibers and filaments of basic raw material for industrial enterprises (caprolactam, cellulose, etc.). The drop in production in this subsector continues to increase. The country's national economy, and particularly the light industry enterprises, are not supplied enough of these fibers (on the whole for the first half of the year, production was reduced by 127,000 tons).

Agroindustrial Complex

The agricultural enterprises began to harvest grain crops, and are carrying out mass feed preparation. The areas planting agricultural crops at all categories of farms have changed in the following way (million hectares):

	1990	1991	1991 as percent of 1990
Entire planting area	207.5	204.2	98
including:			
grain and leguminous crops (winter and spring), including corn - total	111.0	109.3	98
food grains	63.9	60.6	95
of them, groat crops	5.3	6.0	113
cotton	3.16	3.01	95
sugar beet (factory)	3.27	3.16	97
sunflowers	4.62	4.62	100
potatoes	5.8	6.0	103
vegetables	1.6	1.7	106

As compared with last year, the total planting area of agricultural crops for harvest this year was reduced in 12 republics. The potato-cultivating areas were expanded on the whole for the country by 190,000 hectares (3 percent), and this year the farms of the population planted over 17 percent of them. Agricultural enterprises planted 452,000 fewer hectares of potatoes than last year.

In the past first half, agricultural enterprises reduced the production and procurement volumes of the basic types of products as compared with the same period last year, which was the main reason for the reduction in the output of food products by industrial processing enterprises.

The production of live-stock breeding products at kolkhozes, sovkhozes and inter-farm enterprises was formed as follows:

	1st half		
	1990	1991	1991 as percent of 1990
Meat, live weight, mln. t	10.6	9.3	88
Milk, mln. t	44.8	40.2	90
Eggs, bln. units	30.3	28.6	94

The production volumes of live-stock breeding products dropped in most regions of the country, as compared with last year. The most substantial drop in production was permitted at the agricultural enterprises of Georgia, Tadzhikistan, Moldova, Kyrgyzstan and Estonia.

The main reasons for the reduction in the production volume of live-stock breeding products are the continuing cutback of the cattle inventory at agricultural enterprises and the drop in productivity. The average milk yield per cow in January-June this year, was 112 kg, or 7 percent lower than the level of the first half of last year, with a simultaneous reduction, in this period, of the cattle inventory, by 800,000 head, or by 3 percent, and the egg yield of laying hens dropped by 3 percent.

The following data attests to the drop in the cattle inventory at kolkhozes, sovkhozes and inter-farm enterprises (million head):

	Number of head on 1 July		
	1990	1991	1991 as percent of 1990
Cattle	93.1	88.9	96
including cows	28.2	27.4	97
Hogs	57.2	51.6	90
Sheep and goats	135.9	123.7	91
Poultry of all types and ages	776.7	776.8	100

At the beginning of June of this year, as compared with the same date last year, there was a reduction in the cattle inventory at farms in all the republics except for Turkmenistan, where a considerable increase is noted in the cattle, hog and goat inventory.

As the result of the general drop in production of live-stock breeding products, their procurement volumes were reduced:

	Procured in 1st half of year		
	1990	1991	1991 as percent of 1990
Cattle and poultry, mln. t			
live weight	10.6	9.2	87
slaughtered weight	6.9	6.0	87
Milk, mln. t	40.2	35.1	87
Eggs, bln. units	27.2	24.3	89

The reduction in the procurement of live-stock breeding products was permitted in all the republics.

Considerably fewer vegetables were procured than last year. According to the condition on 8 July, the volume of their procurements was 1.5 million tons, which is 281,000 tons, or 16 percent, less than on the same date last year. The sale of vegetables dropped in all republics except Uzbekistan, including farms in Armenia—by a factor of 2.6, Georgia, by a factor of 1.9, Moldova—1.7, Latvia—1.6, Lithuania and Kyrgyzstan—by a factor of 1.5. Some 237,000 tons of potatoes were procured (on 24 June), as opposed to 314,000 tons in the same period last year.

The total supply volume of certain types of agricultural equipment, chemicals and lime materials dropped in comparison to the same period last year. In particular, 4,700 fewer grain combines (14 percent) were supplied, 3,200 fewer press-gatherers (27 percent), 2,500 fewer sprinklers (42 percent), 1,900 fewer feed-harvesting combines (16 percent), 1,300 fewer grain-cleaning machines (42 percent), 2,800 fewer milking units (11 percent), 672,000 fewer tons of fertilizer (6 percent), 42,000 tons

fewer chemical feed additives (12 percent) and 3.1 million tons less lime material (13 percent).

Capital Construction

The results of the first half of this year show that the construction program outlined for 1991 will be substantially underfulfilled.

Out of 331 all-Union projects to be put into operation this year, three were turned over, including only one at the full planned capacity.

Utilization of the capital investment and construction-installation work quotas established for the year for all-Union construction projects and facilities being launched in January-June was respectively 27 percent and 24 percent, including 27 percent and 24 percent in the fuel-energy complex, 27 percent and 30 percent in the metallurgical complex, 30 percent and 23 percent in the machine building complex and 27 percent and 20 percent in the chemical-timber complex. At the same time, for almost half of the projects, the utilization of the yearly volumes of construction-installation work did not exceed 25 percent, and 21 construction projects were not started. This predetermines failure to put them into production: in the fuel-energy complex—29 projects (45 percent), metallurgy—11 (39 percent), machine building—44 (59 percent), and in chemical-timber—29 projects (51 percent).

In turn, construction completion of projects for which introduction was not ensured in 1990 is stalled. Given the introduction of 99 such projects specified for the year, only five were turned over for operation in the six months. The yearly volume of capital investments in the unintroduced projects was only 29 percent utilized.

The construction of facilities built through the internal funds of State enterprises and centrally provided material resources is being carried out unsatisfactorily. In January-June, ten of these projects were put into operation, or slightly more than one percent of the year's program.

Under the conditions of the critical shortage of goods for the consumer market, the course of construction in the sphere of agricultural product processing is particularly alarming.

The volume of financing for the construction of all-Union construction projects and facilities is insufficient. With the amount of financing capital construction from the all-Union economy stabilization fund amounting to R37.8 billion, established for 1991, according to the condition on 15 June, only R6 billion were directed toward this purpose.

At the same time, the funds provided for this year make it impossible to ensure putting construction projects and facilities into operation. This is caused, in addition to other factors, by the use of contractual prices for building materials, which account for about 56 percent of the total cost of the construction-installation operations. While the material cost increase index was estimated in the plan for construction-installation work for 1991 as 1.73, in January-June it was actually 2.21 in the building materials industry.

One of the reasons for the situation that has been created is the destabilization of the material-technical support for construction, caused, in part, by the drop in production and the lack of a market for building materials, structures, parts and equipment. Dut to their shortage, the output of cement in the first half of the year was reduced 6 percent, of linoleum—by 7 percent, of asbestos—by 4 percent, of radiators and heating convectors—by 24 percent, and of slate—by 0.6 percent. There has been a drop in the output of some types of a nearly-finished product—precast reinforced concrete, including structures for large-panel housebuilding, structures made of aluminum alloys, etc.

All this had an adverse effect on the contracting work fulfilled by the construction organizations. For State construction organizations, they dropped by 8 percent in the past period (in the structure of State organizations at the end of the period under review).

Despite the granting of a number of privileges to organizations carrying out the construction of projects for the social sphere (on profit taxes, determining the size of consumption funds), the work volume that they fulfilled dropped by 5 percent, and its relative proportion in the total volume of construction-installation work was virtually unchanged as compared with the first half of 1990—53 percent.

In the first half of the year, capital investments financed through the resources of the Union budget and the all-Union economy stabilization fund were utilized in the amount of R18.2 billion, or by 35 percent of the approved limit for the year. The tendency remained to reduce the proportion of centralized capital investments in their overall volume for State enterprises (39 percent, as opposed to 44 percent in the first half of 1990).

The increasing gap between the resources invested and the fixed capital put into operation is a serious danger. While in the first quarter it was R23.3 billion for State enterprises and organizations, in the six months it was R51.8 billion, which attests to the increase in this volume of uncompleted construction.

Transport and Communications

In the first half of the year, 5.5 billion tons of freight was shipped, or 8.4 percent less than in the same period last year. A reduction in conveyance was observed in all types of transport and it was mainly caused by the reduction in the output of many types of products.

Some 1,797.1 million tons of freight were shipped by railroad, which was a reduction of 8.1 percent as compared with the first half of last year.

At the end of May, as compared with the corresponding date last year, remnants of coke, hard coal, non-ferrous

metals, petroleum and petroleum products, timber, grain and the products of remilling, iron and manganese ore carried by railroad transport were reduced; remnants of chemical and mineral fertilizers and cement increased; on the whole the remnants of freight constituted 55 million tons as against 71 million tons at the end of May last year.

Because of the failure to supply railcars for loading and the violation of freight delivery deadlines, the railroads paid consignors and consignees over R100 million in fines in the first half of the year.

Freight safeguarding security is deteriorating. In January-May, losses from safeguarding failures increased by 88 percent over the same period in 1990 and exceeded R29 million.

Petroleum shipping by pipeline transport dropped by 9.4 percent and constituted 247 million tons (with a 10 percent reduction in its production during this period). The greatest drop with respect to petroleum conveyance occurred in the RSFSR—by 10 percent, and in Uzbekistan—by 8.5 percent.

Cargo shipment by sea transport dropped by 9.1 percent and was 106.6 million tons, because the cargo was not presented for transport.

Cargo remnants not removed by maritime ships at seaports at the end of June, although they were reduced by 2.8 percent as compared with the remnants at the end of June last year, remain considerable—4.6 million tons. At the same time, export cargo remnants dropped by 6.3 percent, and constituted 3.9 million tons. They were particularly sizable at the ports of Mariupol, Vostochnyy, Ilichevsk and Nakhodka. The reason for this is the fact that cargo not sold to other countries by foreign trade organizations piled up at seaports and no foreign ships arrived to remove this cargo.

Some 243.4 million tons of cargo (87.4 percent of the corresponding period last year) was shipped by inland water transport. At the end of June there were 2.2 million tons of cargo at the ports (in warehouses, railcars and maritime ships) to be shipped by inland water transport.

Freight transport by motor vehicle dropped 9 percent and constituted 2.8 billion tons. The drop occurred in all the republics (except for Uzbekistan), and particularly in Georgia—by 30.9 percent, Armenia—by 30.4 percent, Estonia—by 29.7 percent, and Moldova—by 27.1 percent. This was caused mainly by the reduction in production volumes and the refusal of clients to transport freight.

Transport activity was complicated by the slow updating of the fleet of rolling stock and railways. The service life of 12.5 percent of the electric locomotives, over 25 percent of the mainline diesel locomotives, 18.8 percent of electric train railcars, 9 percent of the freight cars, and 14.8 percent of the motor vehicles has elapsed. The average age of maritime ships is over 15 years.

Contractual obligations to supply transport and other material resources, however, are not being fulfilled. In particular, the assignment to deliver mainline electric locomotives to the USSR Ministry of Railways in the first half of the year was 65 percent fulfilled (in the corresponding period last year—80 percent), for mainline diesel locomotives—91 percent (77 percent), diesel shunting locomotives—99.6 percent (130 percent), passenger cars—94 percent (100 percent), rails—89 percent (95 percent), for reinforced concrete ties—88 percent, and wooden—78 percent.

Under these conditions, rolling stock and railways often operate with an above-normal load, and with additional expenditure of material-monetary resources.

In addition, material losses have reached considerable amounts because of accidents to rolling stock. For example, on the railroad tracks of the USSR Ministry of Railways, in January-May, during shunting, loading, unloading and in wrecks and accidents, 13,500 cars and locomotives were damaged, in January-May of last year—11,800 (losses—respectively R9 million rubles each), and at the enterprises of other ministries and departments, respectively 17,900 and 16,600 railcars (losses—respectively, R2.4 million and 1.5 million), including on the tracks of the USSR Ministry of Metallurgy—4,800 and 4,600 railcars, the enterprises of the agroindustrial complex—1,800 and 1,600, and of the USSR Ministry of the Maritime Fleet—1,400 and 1,100 railcars. In maritime transport, 34 ships were damaged, as against 35 in January-May of last year (losses—respectively R0.3 million and R1.8 million), and in aviation—53 airplanes and helicopters (losses—R0.6 million) as against 67 last year.

In the first half of the year, 25.7 billion people were conveyed by passenger transport for general use, or 6.3 percent fewer than in the same period last year. Passenger turnover decreased by 7.2 percent, including motorbus transport—by 5.2 percent, railroad—by 10.1 percent, and air transport—by 5.5 percent.

The quality of passenger service continues to be poor. In January-May, 39,900 trains (not counting suburban) were late, or 12.9 percent of those that arrived (in this same period last year—respectively 43,000 and 14.1 percent). Some 112,500 airplanes, or 15.8 percent were canceled, had runs suspended or arrived late at the final destination (in the same period last year—115,500 and 14.9 percent).

An investigation made in June of the arrival of suburban passenger rolling stock in the morning hours at republic capitals and kray and oblast centers established that 32.6 percent of the trains, 25.7 percent of the motor buses and 13.2 percent of the river and lake boats violated the schedule for arrival at the end point of the run. The average late arrival time was 12 minutes for motorbuses and river ships and 9 minutes for trains.

Communications enterprises for general use gave the population services (in the prices of the first half of last year) worth R2.2 billion in the first half of the year, which is 6.7 percent more than in the first half of 1990.

Foreign Economic Activity

In the first half of 1991, the country's foreign trade turnover was 77.5 billion foreign currency rubles (commercial rate of exchange), which is 37.1 percent less than in the corresponding period last year, export dropped by 23.4 percent and import, by 47.7 percent.

The transition to trading in freely convertible currency with countries that have entered CEMA has led to an almost 50 percent reduction in trade operations between the Soviet Union and other countries. The USSR reduced export of petroleum, petroleum products, machinery, equipment, means of transport, non-food raw material and chemical products to these countries; the import of machinery and technical products and consumer goods from these countries was cut back. The most substantial reduction is observed in trade with Cuba, Mongolia, Bulgaria and Vietnam.

Foreign trade turnover with capitalist countries was reduced by 33.3 percent, mainly because of a reduction in import (by 47.0 percent), and export dropped 15.3 percent. Of this group of countries, the greatest cutback in export-import operations occurred with Spain, Great Britain, Norway and India. The reduction in important purchases in the capitalist countries stems from the lack of freely convertible currency. The main volume of currency receipts from export goes to pay off our foreign debt.

The foreign trade account balance in the first half of the year was favorable in the amount of 4.9 billion foreign currency rubles.

In the first half of the year the export quotas for 1991 for petroleum and petroleum processing products were fulfilled by 35-48 percent, for gas—by 47 percent, iron and rolled metal and timber—by 14-20 percent.

As compared with the corresponding period last year, the export of crude oil dropped 50 percent, of petroleum processing products—by 52 percent, of untreated wood—by 42 percent, of mineral fertilizers—by 35 percent, and of ferrous metals—by 67 percent.

The light and chemical sectors of industry, as well as the country's consumer market, felt the reduction in import more than any other sectors.

The import of basic commodities in the first half of the year is given below (thous. tons):

	1st half of 1991	
	Actual	In percent of 1st half of 1990
Ferrous metals	768	32
Pipes	720	76
Natural rubber	25	33
Cellulose	26	29
Newspaper	2.8	25
Meat, fresh-frozen and refrigerated	376	112
Meat, poultry	68	51
Animal oil	97	44
Sunflower oil	36	21
Potatoes, fresh	460	5.6 fold
Citrus fruits	180	76
Coffee	26	75
Tea	74	69
Cocoa-beans	43	44
Grain crops, mln. t	20	73
Cotton fabrics, mln. m	51	42
Fabric and knitted clothing, mln. rubles	1,134	72
Leather footwear, mln. pairs	17	23
Furniture, mln. rubles	234	92
Medications, mln. rubles	746	68

The lack of currency leads to a constant increase in barter operations, which are ineffective from the national economic standpoint. The volume of export-import operations by barter in January-May was 2.1 billion foreign currency rubles (4 percent of the country's foreign trade turnover), export—1.5, import—0.6 billion foreign currency rubles. Import for commodity exchange operations is consumer directed, and the export articles are traditional raw material commodities, as well as consumer goods.

The real effect from joint ventures with foreign firms for the country's national economy is so far negligible. As before, the main foreign partners are small firms or individual legal entities, and the large foreign firms are guarded about creating joint ventures with advanced equipment and new technology. At the present time, over 3,000 joint ventures are registered on the territory of the USSR, and only one-third of them produce goods and render services.

Agriculture

Moscow, Kemerovo, Baykal Aid Altay Harvest

LD2707010591 Moscow All-Union Radio First Program Radio-1 Network in Russian 1200 GMT 26 Jul 91

[Text] Trucks earmarked to help with the harvest are arriving at the railway stations of the Altay. Some 2,000

vehicles have been moved to the Aley steppes by military subunits from the Far East and Siberia. The equipment is immediately being put to use. Prior to the big harvest commencing—and this will be in August—they are being used to transport grain and feed. Vehicles from Moscow, Kemerovo, and the Baykal region are expected to arrive. At collective and state farms, the drivers are trying to arrange living conditions, resolve the issue of food, and assisting in using the equipment to maximum effect.

Report on Moscow, Leningrad Food Market Prices

PM2607115391 Moscow Central Television First Program Network in Russian 1800 GMT 24 Jul 91

[From the "Vremya" newscast: Announcer-read report]

[Text] [Announcer] The USSR Cabinet of Ministers discussed the consumer basket today. Our program contains a report of this, but first a report on prices. Prices of agricultural produce have more than doubled in Moscow and Leningrad kolkhoz markets compared with the same period last year. Price lists are hidden, but our film crew knew the prices. Grapes and water melons cost 40 rubles [R] and R5 per kilogram. Tomatoes range between R6 and R10, chicken R25, meat from R30 to R40; and this piglet costs R200. Incidentally, Moscow and Leningrad are the country's two most expensive cities. When talking about the consumer basket you usually refer to the prices and goods available in the state stores. The picture there is, admittedly, fairly dismal. Even in the central stores. And what does the Cabinet of Ministers say about it?

'Emergency Measures' To Save Leningrad Harvest

LD3007164891 Moscow All-Union Radio First Program Radio-1 Network in Russian 1200 GMT 30 Jul 91

[Text] The headquarters for the harvest and the provision of Leningrad people with vegetables and potatoes has started functioning. At its first sitting, the situation was analyzed and emergency measures to save the harvest were planned.

Grain Yields for N. Ossetia, Krasnodar Region

PM2407104391

[Editorial Report] Moscow SOVETSKAYA ROSSIYA in Russian 23 July 1991 First Edition carries on page 1, under the headline "Ossetia's Wheat," a 100-word TASS report from Vladikavkaz stating that North Ossetia's farms have embarked on harvesting winter wheat and that specialists have forecast an average yield of "up to 35 quintals per hectare" for the republic.

Moscow SELSKAYA ZHIZN in Russian 23 July 1991 carries on page 1, under the headline "Million Tonnes Reached!", a 100-word 22 July TASS report from Krasnodar stating that wheat harvested from an area of around 800,000 hectares has so far given an average yield of 42.4 quintals per hectare for the kray.

Ukrainian Measures To Prevent Grain Exports

PM1907083591 Moscow IZVESTIYA in Russian 18 Jul 91 Union Edition p 1

[Report by correspondent S. Tsikora: "Against the 'Grain Drain'"]

[Text] The Ukrainian Government has drawn up measures to protect this year's harvest from bulk purchases by uninvited representatives from other republics.

The program can be conveniently divided into measures which encourage the peasants to deliver produce to the republic granaries, and those which protect grain, vegetables, and meat products produced in the republic from middlemen. This problem has been particularly acute since 1 July, when the republic abolished ration card trade and swarms of speculators headed for the Ukraine.

The words of L. Kravchuk, chairman of the Ukrainian SSR [Soviet Socialist Republic] Supreme Soviet, clearly reflected the severity of the prevailing situation when he said at a news conference: "If need be, we will introduce a special regime in the Ukraine because we are obliged to save the harvest we have cultivated and to provide the people with everything they need. We will go to any lengths to defend the interests of our population and our market."

The Ukrainian SSR Cabinet of Ministers adopted several special resolutions regulating settlements between producers of agricultural output and the state. Above-plan grain surpluses will be paid for at current commodity exchange prices.

The republic has set up special stocks of the scarcest goods which will be sold to peasants in exchange for the sale to the state of grain over and above the supply level attained in the last five years. These goods include thousands of refrigerators, video recorders, television sets, sewing and washing machines, as well as 12,000 automobiles.

So much for the "carrot." Now for the protective "stick." During the period until state orders are fulfilled, a total republic-wide ban has been imposed on the exportation of agricultural produce across Ukrainian borders. All operations on the commodity exchange linked with goods exports are also frozen. Anybody violating these requirements will have their goods confiscated and deposited in the state reserves against payment at the minimum purchase price.

Transport operators have strict instructions to load and export from the republic only that agricultural produce which is earmarked for delivery to Union stocks or to honor an interrepublic contract, which must be confirmed by the necessary documentation. Not just the militia are tasked with en route verification. Officials from financial organs, the tax inspectorate, and quarantine services are all involved in the operations groups. It looks like serious measures are being taken against middlemen dealing in grain in the Ukraine.

Scientific

'Nonstate' Far East Computer System Planned

PM2607111191 Moscow Central Television Second Program Network in Russian 1400 GMT 23 Jul 91

[From the "Far East Review": Khabarovsk Television report]

[Text] This July the Far East's enterprises received an opportunity with the help of Khabarovsk's "DV-Partner" to avail themselves of the services of a regional computer network. This is an integral part of a nonstate all-Union commercial computer network.

[Yu. Tyurganov, technical director] We are now carrying out work that will make it possible to kit out points in all major cities of the Far East, namely Magadan, Kamchatka, Sakhalin, Vladivostok, place the requisite equipment, and set up and put into operation a Far East computer communications system.

Military Plants To Utilize Surplus Missiles

PM2907091191 Moscow IZVESTIYA in Russian 25 Jul 91 Union Edition p 2

[POSTFAKTUM report: "Military-Industrial Complex Representatives Set Up Joint-Stock Company"]

[Text] A constituent conference of the "Ural-Kosmos" closed joint-stock company [aktsionernoye obshchestvo zakrytogo tipa] has opened in Miass (Chelyabinsk Oblast). Most of the company's founders are representatives of the military-industrial complex. They intend to set up a company, and one of its main tasks will be to utilize for commercial purposes missiles which are coming to the end of their military life or are due to be destroyed under arms cuts. Their warheads will be replaced by communications satellites. The founders of the "Ural-Kosmos" company note that rockets will be launched both from land-based pads and from military submarines.

Expedition To Study Arctic Environmental Damage

PM2607115991 Moscow Central Television First Program Network in Russian 1800 GMT 24 Jul 91

[From the "Vremya" newscast: Report by V. Anuchin and A. Uchinin]

[Text] [Announcer] Maritime geologists are about to rectify their mistakes. The research ship Aleksandr Karpinskiy leaves Murmansk today for the Arctic.

[Anuchin] The scientific ship is to spend two months working in the White, Barents, and Karsk Seas, beginning a wide-ranging scientific program. In all this expedition is intended to last three years, its main purpose being to study the ecological problems of the Arctic littoral. It's interesting that it will be maritime geologists tackling this work this time—people who have, to be frank, done the natural environment in the Arctic a great deal of damage.

[V.I. Gurevich, deputy head of the expedition] We must work out a set of principles. Our expedition is, so to speak, a scientific methodical expedition. We are to work out principles whereby specialist maritime geology and geoecological groups will carry out similar kinds of work in the future alongside each other. That's the first thing. Second, this will enable us to ascertain the polluted areas and plan work on a larger scale there. Third and last, it will give us an opportunity to make recommendations to both nature conservation and production organizations to ensure that they moderate their efforts, so to speak, in terms of their effect on the natural environment and suggest the kinds of ways in which this should be done.

Military

Supreme Soviet Resolution on Discharged Servicemen

91UM0793B Moscow KRASNAYA ZVEZDA in Russian 24 Jul 91 First Edition p 1

["Resolution of the USSR Supreme Soviet: On Implementing the USSR Law 'On Special Guarantees Respecting Employment and Social Support for Servicemen Discharged From Service Without the Right to Receive Pension'"]

[Text] The USSR Supreme Soviet **resolves:**

1. To implement the USSR Law "On Special Guarantees Respecting Employment and Social Support for Servicemen Discharged From Service Without the Right to Receive Pension" as of 15 July 1991.

2. That, prior to 1 January 1992, the USSR Cabinet of Ministers will bring decisions of the USSR government into conformance with the USSR Law "On Special Guarantees Respecting Employment and Social Support for Servicemen Discharged From Service Without the Right to Receive Pension" and will ensure the review and repeal by USSR ministries and departments of normative acts that contradict this Law.

[Signed] A. Lukyanov, chairman of the USSR Supreme Soviet.

The Kremlin, Moscow.

9 July 1991.

Law on Discharged Servicemen

91UM0793A Moscow KRASNAYA ZVEZDA in Russian 24 Jul 91 First Edition p 4

["Law of the Union of Soviet Socialist Republics: On Special Guarantees Respecting Employment and Social Support for Servicemen Discharged From Service Without the Right to Receive Pension"]

[Text] Article 1. This Law determines special guarantees of realization of the right to work, and the conditions, norms, and procedure for providing social support to members of the officer corps, warrant officers, and extended-duty servicemen of the USSR Armed Forces, forces and organs of the USSR Committee for State Security, Internal Troops of the USSR Ministry of Internal Affairs, USSR Railroad Troops, and other military formations established in accordance with USSR legislation, and persons in the leadership and rank-and-file of internal affairs organs, who are discharged from service without the right to receive pension by virtue of age, illness, personnel reductions, or restricted state of health (henceforth referred to as persons discharged from service).

The Principles of USSR and Republic Legislation on Population Employment extend to the above-mentioned persons, as well as to other persons discharged from service without the right to pension for reasons not envisaged by this Law, unless otherwise provided by USSR legislation.

Article 2. Persons discharged from service have a preferential right to job placement. Over the period during which they are seeking work—but not over three months, they continue to receive pay according to their last regular job position prior to discharge, if within a period of 10 calendar days from the date of military registration entry they register with the state employment service as persons seeking work. Payment of salary so continued in this regard is made by the ministries and departments in which these persons conducted their service.

Article 3. Unemployment benefits for persons discharged from service are established in the amount of 60 percent of pay received at the last regular job position prior to discharge, but are not less than the minimum wage established by USSR legislation.

Article 4. Job training, job skills enhancement, and job retraining of persons discharged from service and registered with the state employment service are effected on a priority basis and funded by the State Employment Assistance Fund.

Article 5. During periods of job training, job skills enhancement, and job retraining at the direction of the state employment service, persons discharged from service and registered with the state employment service as seeking work are paid a grant in the following amount:

persons with minor children or dependents—80 percent of pay received at the last regular job position prior to discharge;

persons without minor children or dependents—60 percent of pay received at the last regular job position prior to discharge.

Article 6. Persons discharged from service who are undergoing job training, job skills enhancement, and job retraining in a detached status from production at the new workplace are paid a grant for the entire period of training in the amount of the average wage for the occupation (specialty) for which they are being trained, but not less than 50 percent of the pay received at the last regular job position prior to discharge.

Article 7. Supplemental guarantees of employment and social support for persons discharged from service may be established by republic legislation and by resolutions of local soviets of people's deputies.

[Signed] M. Gorbachev, president of the Union of Soviet Socialist Republics.

The Kremlin, Moscow.

9 July 1991.

Estonia

President Ruutel on U.S. Support for Baltics

LD3007171791 Tallinn Estonian Radio in English 2030 GMT 29 Jul 91

[Text] Estonian President Arnold Ruutel returned to Estonia today after three days of talks with U.S. officials, including Deputy Secretary of State Lawrence Eagleburger, and Congressional leaders in Washington D.C. Ruutel was also a guest at the Special Olympics while he was in the United States. He will hold a press conference in Tallinn tomorrow.

Ruutel said on Friday that U.S. President George Bush and Soviet President Mikhail Gorbachev should discuss Baltic independence at their Moscow summit meetings which begin tomorrow. He also said that he felt Eagleburger understood his point of view and that U.S. officials had promised him continued support of Baltic independence.

Ruutel said, quote, the friendly atmosphere and wide openness of these talks underlined both continued U.S. support for Baltic independence and the depth of the long-standing U.S.-Estonian relationship. I come away from these talks with renewed assurances of steadfast U.S. help in Estonia's quest for self-determination.

Ruutel also stressed that when the 1990 U.S.-Soviet trade agreement is ratified by the U.S. Senate, the three Baltic states should be separated from the agreement and granted most favored nation status separately. Countries with most favored nation status receive lowest U.S. tariffs on their goods. The U.S. has never officially recognized the Soviet Union's 1940 annexation of the Baltic states.

Leaders To Meet With Soviet Delegation 6 Aug

OW3107044891 Moscow BALTFAX in English 1400 GMT 30 Jul 91

[Following item transmitted via KYODO]

[Text] The Estonian leader of the group of experts on the talks between the USSR and Estonia, the General Director of the Foreign Economic Department of the republic Mehis Pilv in his interview to the ETA agency said that the date of the meeting of the Soviet and Estonian delegations remained without change—August, 6.

M. Pilv, speaking about the meeting of the experts in Moscow last week, said that the Estonian licences and quotas, customs activities, division of the foreign debts and the foreign credits of the USSR.

"The agreement was signed on the first point in accordance with which Estonia is recognized absolutely independent in its foreign economic activities," the Estonian group of experts' leader spoke out.

'Special Police Force' To Begin Work 1 Aug

OW3107091991 Moscow INTERFAX in English 1900 GMT 30 Jul 91

[Following item transmitted via KYODO]

[Text] The director of Estonia's Department for Border Defense, Mr. Andrus Oovel, told BF [BALTFAX] that the training of a special police force to guard Estonia's economic border will begin on August 1, 1991. The decision to establish such an armed force was taken following several attacks on Estonian customs checkpoints. The unit, which will be responsible to the Department of Police, will begin to guard the border on October 1.

Mr. Oovel also said that over recent weeks checkpoints had been strengthened to make surprise attacks more difficult and to provide a possibility of blocking roads in order to intercept attackers.

The director of the department also sid that in the region of the town of Narva (on Estonia's border with the USSR), where the town council had ordered the customs checkpoint to be dismantled, freight and luggage are being examined by policemen from north-eastern Estonian towns.

First Session Held in Tartu Since World War II

OW3107050991 Moscow BALTFAX in English 1400 GMT 30 Jul 91

[Following item transmitted via KYODO]

[Text] The session of the Estonian Government was held in Tartu on July, 29.

The Prime-Minister Edgar Savisaar underlined that this session was convened in Tartu to help the city in solving its problems and to contribute to more independence of the city's authorities.

Tartu Mayor Thomas Mendelson underlined that no government has conducted its sessions in Tartu since the end of the World War Two. In his report the mayor focused on the problems of the city budget.

The problem of transfer of the state property to the Tartu Municipal was also discussed on that session. Tartu City Council presented a list of more than 90 establishments and organizations which are supposed to be transferred to the Municipal property for their following privatisation. But in the course of the session their number was considerably reduced.

Latvia

Representatives on Status, Assistance for Baltics

LD3007155391 Vilnius Radio Vilnius Network in Russian 1200 GMT 30 Jul 91

[Text] Here is a report from the Baltic News Service. Yesterday (Alexander Doe), special representative of U.S. President George Bush and a department head at the U.S. State Department, went to the Latvian mission in Moscow. He told Janis Peters, the leader of the permanent mission of Latvia, that the program which George Bush will propose to Soviet President Mikhail Gorbachev will mention the special status of Latvia, Lithuania, and Estonia. Peters, Latvia's permanent representative in Moscow, stated in a Latvian Radio interview that this will mean that the technical aid which the United States will offer will not be designated for the USSR as a whole, but will have part of it allocated—specifically, part of the technical aid—for the Baltic countries, as meriting special status in the eyes of the U.S. Government due to the loss of their independence in 1940. (passage indistinct)

Of the $15 million being offered to the USSR for technical reconstruction, half should go to enterprises in Lithuania, Latvia and Estonia. The Baltic republics will receive separate most-favored nation status in trade, but not before they achieve results in negotiations with the USSR, allowing us to speak of real restoration of their independence. (passage indistinct)

Militia Incident Reported on Minsk-Riga Highway

OW3107060191 Moscow BALTFAX in English 1200 GMT 30 Jul 91

[Following item transmitted via KYODO]

[Text] Lithuanian resident K. Kazlauskas appealed to the militia department of Baussky region in Latvia on July, 28.

He spoke out that on July, 28 at about 15:00 on Minsk-Riga highway his car was stopped by several men in militia uniform armed with machine-guns. After making preventive shots in the air they forced Kazlauskas out of his car and beat him. Then they went away leaving the car near the highway.

As a "BALTFAX" correspondent was informed in the Latvian Foreign Ministry press-centre the case of attack on Kazlauskas is submitted to the Public-Prosecutor's office of Baussky region.

Lithuania

Radio Vilnius Reports Six Border Guards Killed

LD3107074791 Vilnius Radio Vilnius Network in Lithuanian 0600 GMT 31 Jul 91

[Text] At 0250 today an explosion took place at the entrance door to the building of the division of the Soviet Interior Ministry [MVD] forces on Vilnius' Sapiega Street. The windows of this building and of four [other] buildings around were broken.

The official on duty at the Lithuanian MVD reported that a serious incident took place last night at the Medininkai border post. At 0500 drivers from Yaroslavl driving past the border post became suspicious about it looking deserted. When they entered the cabin they found six people dead and two wounded. They are the men from the national defense department and the Lithuanian MVD "Aras" combined team. The wounds are gunshot wounds, and it is believed that the shots were fired from a machinegun.

Officials from the Procurator's Office are currently investigating at Medininkai to clarify the circumstances.

Further on Border Post Attack

LD3107084191 Riga Radio Riga Network in Latvian 0700 GMT 31 Jul 91

[Report by Laimonis Radzins]

[Text] After the distribution of the Lithuanian Government statement on Special Purpose Militia Detachment activity, new crimes have been committed. Last night was restless in Lithuania. At around 0100 the first explosion resounded in Vilnius, in Justiniskes Rayon. Ten minutes later, at 0300 [as heard], there was a powerful explosion at the headquarters of the Internal Affairs troops. Its force caused shattered windows in the four-story building. An investigation is taking place.

At around 0600, an armed attack took place at the Medininkai customs house on the border between Lithuania and Belorussia. Four people were shot dead and two others have been taken to the hospital in a hopeless condition. The victims include Lithuanian defense workers, customs officials, and special policemen. The matter is being investigated by the procuracy.

More on Border Attack at Medininkai

LD3107074191 Moscow TASS in English 0728 GMT 31 Jul 91

[By TASS correspondent Kazic Uscila]

[Text] Vilnius July 31 TASS—Six people were killed and two wounded in a clash at a border post in Medininkai on the border between Lithuania and Belorussia Tuesday night.

Interior Ministry officials were dispatched to the site, but no details about the incident have been reported, according to Interior Ministry on duty Vytautas Mikulenas.

Lithuanian police officers, customs and regional defence officials were on duty at the post, he said.

Unidentified attackers exploded a bomb at the main entrance of the Soviet Interior troops division headquarters on Sapiega street in Vilnius [words indistinct] today.

No one was hurt, but the blast shattered windows in several buildings.

Landsbergis Demands Investigation

AU3107123091 Paris AFP in English 1210 GMT 31 Jul 91

[Excerpts] Moscow, July 31 (AFP)—Seven Lithuanians were killed and one critically wounded early Wednesday at a border post in the breakaway Baltic republic, Lithuanian officials said, casting a cloud over the U.S.-Soviet summit here.

Six men died immediately and one of two injured later died of his wounds, Lithuanian spokesman Lionginas Vasiliauskas told AFP.

Three Lithuanian customs officials and three national guardsmen were killed in the machine-gun attack on the Medininkai crossing on the border with Belorussia. The seventh was a member of a recently-formed republican elite police unit, Mr. Vasiliauskas said.

Lithuanian President Vytautas Landsbergis, at a news conference in the Lithuanian capital Vilnius, immediately demanded an international investigation into the incident and "international support".

The attack was the most serious at a border post since the Soviet Army crackdown in January against pro-independence authorities in Vilnius, in which 16 people were killed.

Mr. Landsbergis suggested that Soviet troops were responsible, saying: "We are constantly suffering from military provocations and acts of armed violence by Soviet armed forces."

But he added that it was "too early to draw conclusions" as to who was to blame. [passage omitted]

Mr. Landsbergis also noted the "dangerous coincidence" between the killings and "crucial political events".

Landsbergis Speech on 'Vicious Act'

LD3107125891 Vilnius Radio Vilnius Network in Lithuanian 1000 GMT 31 Jul 91

["Excerpt" of speech by Lithuanian Supreme Council Chairman Vytautas Landsbergis at a news conference at the Supreme Council building in Vilnius on 31 July—recorded]

[Text] Esteemed journalists! You already know that last night six people were murdered at the Lithuanian border post in Medininkai; two others were seriously wounded. All of them, except the two for whom we still have hope, were shot in the head. It seems that the person or persons who committed this crime wanted to murder all of them and probably was sure that no witnesses were left. This is an extremely vicious act, and at present we are not able to make any conclusions concerning the circumstances of the murder because the investigation is in progress.

At this moment the government session is in progress. At 1500 a regular Presidium session will take place, and at 1800 I will meet with the leaders of the provisionary defense. Probably by that time we will know some more specific facts about how the incident might have taken place.

At the moment I can only say a little about how this incident should be assessed and what implications might arise from this brutal act of coercion against the background of all the events that took place during the first half of this year. This background is permanent acts of armed coercion in Lithuania, the initiators of which are the subunits of the Soviet Armed Froces of one sort or another. Quite often the victims and the targets of these acts were our customs posts and the customs officers, the officials of the state of Lithuania.

We know very well that behind any crime committed by the Soviet Armed Forces, and by the gangs that are paid by and maintained by these forces, is the top leadership of the Soviet Union. It cannot pretend forever that it is ignorant of what has happened, not in control of the situation, and unable to hear the demands; for example, the demands by the leadership of the Republic of Lithuania to remove the OMON [special purpose militia detachment] from the territory of Lithuania and the subunits of the Soviet Armed Forces from the occupied buildings of Lithuanian Radio and Television.

Attention can also be drawn to the repeatedly occurring coincidence in the circumstances. As soon as the United States shows a greater benevolence towards the Soviet Union, then the Baltic countries, especially Lithuania, suffer blows by the Soviet Armed Forces. In fact, the United States is making concessions and is not strictly demanding from the Soviet Union that the culprits of the killings in Lithuania and Latvia in January 1991 be punished, the buildings occupied by the Soviet Armed Forces be returned, and the OMON terrorists be withdrawn from the Baltic countries.

So this is the background that we cannot forget or fail to see. Therefore, the first thought that strikes anyone—I am almost sure this thought strikes every citizen of Lithuania—is that this is the work of these terrorist forces.

There is the first thought; I do not claim that this is so, because the case has not yet been investigated. There is the thought that this is a response, an act of vengeance for what? Perhaps because of the Lithuanian-Russian treaty? Perhaps this is the consequence of those (?favorable) gestures that are made in the Soviet Union. Perhaps this could also be linked with the promises by the Soviet Union to democratize itself and to proceed along

the path of great reforms, to restrict the old administration structures that might be interested in the destabilization of the situation in the struggle for power.

Those are only thoughts that may occur to many people; these thoughts also occur to me, and I am sharing them with you without assuming any of the above links.

There are two possibilities concerning who carried out these murders. It is either Soviet servicemen, including the terrorist OMON unit, or the mafia, which also could be unhappy about the activities of the customs houses.

We have noticed before, and we have stated so, that there is a possibility for a similarity of interests between those two forces. It is possible that one force uses the help of the other—the mafia is using the help of the military or the mafia is used for political purposes. I hope that the investigation and the reaction that other states should also show will shed additional light on this tragic incident and will allow us to reach a more defined conclusion.

Pugo 'Deeply Shocked' by 'Tragedy'

LD3107114191 Moscow TASS in English 1123 GMT 31 Jul 91

[Text] Moscow July 31 TASS—A spokesman for the Soviet Interior Ministry today confirmed in a telephone conversation with a TASS correspondent the fact of the tragic incident at the Medininkai customs post on the Lithuanian-Belorussian border last night.

Andrey Chernenko, head of the ministry's public relations centre, told TASS that six officers of Lithuania's law enforcement and customs bodies were killed and two were wounded in the attack. One of the wounded persons died later in the morning.

Boleslav Makutinovich, commander of the special police force OMON, categorically denied his subordinates' involvement in the tragic incident.

"All OMON personnel were staying in their base" at the time of the attack, he said.

The Interior Ministry spokesman said that in connection with an explosion near the headquarters of an interior troops unit, the OMON personnel were ordered out of their beds at about 3:00 am should there be a provocation. There were no absentees.

A spokesman for the Riga OMON force also rejected his unit's involvement in the incident.

Interior Ministry officials, Lithuania Prosecutor-General Arturas Palauskas and Lithuanian Interior Minister Marionas Misiukonis left for the area of the attack.

Soviet Interior Minister Boris Pugo, assessing the incident, said he was "deeply shocked by the tragedy at the Lithuanian customs post and will undertake all possible measures to find the attackers. The Soviet Interior Ministry is prepared to support Lithuania's law enforcement bodies."

The minister emphasised that "of special regret is the fact that the tragedy occurred against the background of successful and promising talks between the presidents of the USSR and the United States."

He expressed hope that "an effective search for criminals will neutralise concoctions and rumours that appeared in connection with the incident."

OMON Commanders Deny Involvement

LD3107094691 Moscow TASS in English 0937 GMT 31 Jul 91

[Text] Vilnius July 31 TASS—Commanders of the Soviet OMON [special unit militia] elite police denied today that their troops were involved in an attack on a border post near the Lithuanian city of Medininkai on Tuesday night.

Six Lithuanian border guards were killed in the incident and two were wounded.

All OMON troops were at their base at the time, a Soviet Interior Ministry spokesman told TASS.

Supreme Council To Hold 1 Aug Session

LD3107143491 Vilnius Radio Vilnius Network in Lithuanian 1400 GMT 31 Jul 91

[Text] The Lithuanian Supreme Council Presidium has decided to convene an extraordinary session of the Supreme Council of the Republic of Lithuania at 1000 on 1 August in Vilnius. The agenda of the session will concern the USSR's terrorist and repressive structures in Lithuania.

Government Continues Criticism of OMON Presence

OW3107022191 Moscow BALTFAX in English 1200 GMT 30 Jul 91

[Following item transmitted via KYODO]

[Text] The Lithuanian Government in its statement on July, 29 says that in spite of numerous appeals to the Soviet Government, the Soviet Interior Ministry leadership takes no measures for stopping illegal activities of OMON [Special Purpose Militia Detachment] troops in Lithuania. Till the present day nobody has been punished for the unprecedented seizure of the telegraph centre by Vilnius OMON, the document says. According to the Lithuanian Government, the position of the Soviet Interior Ministry leadership "encourages criminal activities of OMON armoured bands." New attacks on the border posts in Latvia and Lithuania confirm that.

As "Baltfax" already reported, the attacks were conducted on the customs posts Salochay (Lithuania) and

Raynis (Latvia) on July, 28. As a result of that the customs-houses were fired and the customs officials were beaten.

The Lithuanian Government stressed the regularity of coincidence of such actions with the scheduled important meetings of the Soviet president (the meeting with the U.S. president in Moscow on July, 30—"Baltfax").

The document contains the demand to the Soviet Government to take all the measures for stopping illegal activities of OMON in Lithuania. The Lithuanian Government hopes that the Soviet Interior Ministry will issue an order on breaking OMON troops up and their withdrawal from Lithuania.

"If the Soviet Interior Ministry continues to ignore criminal activities of OMON, the Soviet Government will be responsible for unpredictable consequences of those activities," said the Lithuanian Government.

Landsbergis Reports on Treaty With Russia

LD3007155491 Vilnius Radio Vilnius Network in Lithuanian 0914 GMT 30 Jul 91

[Report by Chairman Vytautas Landsbergis on the Lithuania-Russian Federation treaty at a Supreme Council session in Vilnius on 30 July—recorded]

[Excerpts] Good morning, dear colleagues, deputies. It is my pleasure to inform you that you are going to have some additional work. It will be probably be necessary after our recess to examine the treaty between the Republic of Lithuania and the Russian Federation which was signed yesterday in Moscow and ratify it. Thus, an important work has been completed and this completion in itself is an important political event, a political event of international importance. To us, in the process of our political life, in the consolidation of Lithuania's independence on an international scale, it is a document and event of special importance. I say document because at first I speak of the basic treaty between the Republic of Lithuania and the Russian Soviet Federated Socialist Republic on the basis of interstate relations.

This is a long document; at present it is being copied and I hope it will be soon distributed to you. Of course, it will be published tomorrow in the newspapers. But since we discuss it today and you would like to see the text, it will be copied and distributed—not in order to examine it in detail. Today this document is submitted to the Lithuanian Supreme Council. I can begin acquainting you with it and make some comments. First of all, I remind you that exactly one year ago it was agreed that such a treaty should be drawn up. It was done in Jurmala during a meeting of the Supreme Council chairmen of the three Baltic states with the chairman of the Russian Supreme Soviet—at that time, Boris Yeltsin, who now signed the treaty as the president of Russia. It was expected then that the treaty could be prepared within a comparatively brief period of time. Indeed, treaties between Russia and Latvia and between Russia and Estonia were signed during the tragic January days, maybe a little hastily. The treaty with Lithuania was being prepared for a longer time, and therefore it has at present a more perfect, finished, and politically more thorough form.

This political form and political content in the treaty corresponds, among other things, with the state status of the Republic of Lithuania, clearly defined in our basic documents of 11 March of last year and confirmed in the plebiscite of 9 February of this year and in the constitutional act of 11 February.

Thus we see at once that the first article in the treaty is an act of recognition of Lithuania's statehood and of Lithuania as an independent state. That article states that high contracting parties recognize each other as subjects of international law enjoying full rights and sovereign states according to their state status, defined—and this is very important to us—by the basic acts adopted on 11 March 1990.

When journalists asked Boris Yeltsin after the signing ceremony whether this meant that Russia fully recognized Lithuania as an independent state, Boris Yeltsin answered very precisely that everything has been said in the first article. This is recognition of the state status defined by the document of 11 March of the Republic of Lithuania.

This same article, developing and expanding the basic statement on recognition, speaks of our complete legislative, executive, and juridical power as the high contracting party on the territory of Lithuania. An obligation is formulated there to respect sovereignty, the integrity of territory, and borders in mutual relations. Thus we have a guarantee by Russia of our sovereignty and our borders.

There is a very important—it may seem to some people—detail but in reality a stand, a political and legal stand, in the preamble that both parties are convinced that when the consequences of the 1940 annexation—violating the sovereignty of Lithuania—are eliminated by the Soviet Union, additional conditions would be created for mutual trust between the high contracting parties and their nations.

[Excerpts] With this statement, signed by the president of Russia, the Russian Republic is joining the world's democratic countries in not recognizing Lithuania's existence within the Soviet Union for some time, a fact of lawful existence. This is being treated as a result of annexation.

We, I think, do not have doubts about Russia's stand, a very honorable and consistent stand, which has been adhered to by Boris Yeltsin from last year, from the first meeting, and to which he has adhered in the very menacing January days, which were dangerous not only to democracy and freedom in Lithuania and Latvia, where blood was shed, too. This was a time when political forces were being enlisted as well against democracy in Russia and Boris Yeltsin himself. But he

did not hesistate then to assume a very categorical stand by supporting the Baltic states and their right to choose their way and choose independence.

Thus the document signed yesterday is ensuing from a certain sincere and, I would say, moral stand in international politics.

In the second article of the treaty, the high contracting parties recognize each other's rights to implement independently their sovereignty in the sphere of defense and security. We see there that Russia is dissociating itself, and seeing its stand completely different, from the opposing intents by the Soviet Union against Lithuania's laws and actions to manage affairs in the country's defence and security.

In the third article, the high contracting parties—I somewhat shorten the text—bar the way to organizations and persons who aim to destroy the independence of the other high contracting party by force and who aim to seize power by force.

Thus this condemnation—which we could have noticed also in the words of the Soviet Union's president on the unconstitutional and unlawful acts of those who attempted a coup in January in Lithuania, but which did not have any further course in the Soviet Union's acts; on the contrary, it was seemingly being ignored by continuing acts of violence against Lithuania, although not on the scale of January—is being accepted and expanded by Russia to the principal position: forbid and bar the way to such actions.

The fourth, fifth, and sixth articles define the rights and posibilities of citizens, of persons who have the right to be Russian citizens but would like of their free will and in accordance with the laws of Lithuania to be granted citizenship of the Republic of Lithuania. These articles extend this right as far as the period of time is concerned, extend the former date of 3 November 1989, when our citizenship law was passed, until the date of the signing of the treaty—that is, until 29 July of this year. Such was the wish of Russia. We have made such a compromise or a step of goodwill, and I hope that you will approve it when we speak about the ratification of the treaty.

Correspondingly, the Russian Federation guarantees the right to Russian citizenship to people who have the right to Lithuania's citizenship but reside in Russia; and if they continue to live and work there, they may be granted Russian citizenship. It is also envisaged that if these people do not adopt the citizenship of the country of their residence, this does not mean they lose their right to the citizenship of their native country or of the native country of their fathers. This right is preserved, and they can enjoy it later.

[Excerpts] The fifth article guarantees civic and other rights and freedoms to all persons resident on the territory of another contracting party, irrespective of their nationality. Persons who belong to ethnic religious and language minorities are guaranteed their right, together with other members of that group or officially registered communities, to enjoy their culture, practice their religion and religious rites, and use their native language. It also stresses to citizens of a contracting party residing on the territory of another contracting party guarantees for the rights and freedoms of the citizens of another party, to the citizens, and to persons having the right to that citizenship. Because we do not know when Russia will pass its citizenship law, so that there is no such formal verification of whether a person is a Russian citizen—maybe the law will be passed with delay—there will be a category of people who have the right to Russian citizenship and their rights and freedoms in Lithuania are guaranteed. This treaty also guarantees to the citizens of both parties not residing on the territory of their country the right to apply for legal, humanitarian, and other help to the authorized representatives of the country of which they are citizens.

We will see that this treaty also contains an article about the establishment of authorized representatives' offices in both countries. And I can say that yesterday our Foreign Minister Algirdas Saudargas and the Russian foreign minister, Mr. Kozryev, signed a joint protocol on the establishment of the representatives' offices. Thus, persons who have some problems will have an address where to apply and expect legal or some other help.

The sixth article also describes the right of each party in the sphere of immigration and immigration policy, and the regulation of problems arising in this sphere in accordance with universally recognized norms and principles of international law and in accordance with separate agreements which will be concluded. These separate agreements will also regulate immigration problems linked with employment and, in some cases, when citizens of their own free [will] move from the territory of one country to another; the order of resettlement and conditions; and even some material aid.

In this case one concrete agreement has been prepared about a group of persons from the Mazeikiai oil refinery who wish to move to Russia and work in a similar enterprise under construction there. The Republic of Lithuania intends to render them material aid, although this does not mean that we encourage people to move from Lithuania. This is regarded as a special, separate case.

Some articles provide for the necessity of cooperation in signing agreements in the spheres of culture, art, health service, information, international relations, ecological systems, etc. Some such agreements are already being drawn up or are nearing completion.

The tenth article is important in that economic cooperation between the high contracting parties will be regulated by treaties and agreements providing for the regime of the most favored nation. This enables us to expect that, in spite of intimidations by some Soviet leaders that Lithuania can expect special unfavorable regimes in supplying resources from the Union to Lithuania, this

will not happen. Most likely, this will not happen because Russia intends to take steps in taking over all its natural resources and their disposition. This disposition—which will affect Lithuania, our industry, and our economic life—will be regulated as far as we are concerned, according to this treaty, by the regime of the most favored nation. This should not allow the Soviet Union to treat the supply of these resources to us as some means of punishment or political pressure.

The eleventh article provides for preservation of favorable conditions of cultural and national development in Kaliningrad Oblast. The Republic of Lithuania will contribute to it, and this will be provided for by a special agreement. Such agreement has been prepared simultaneously, and Boris Yeltsin wanted it to be not some later act but to be drawn up and signed together. This is in order to appease some apprehension by Kaliningraders as to what future they may expect when Lithuania, regaining independence and managing its own affairs, might create some obstacles to their contacts with the Soviet Union and Russia, to their personal and economic contacts. Such agreement was drawn up and signed yesterday. It was signed by the prime ministers of both countries.

[Excerpts] The 13th article provides for the regulation of state property and the property of juridical bodies and citizens when some property of one country is on the territory of another country and when the legal regime is regulated by the laws of the country where this property is situated.

The 14th article provides for a special agreement on the transit of goods and passengers through the territories of both countries. This is already being implemented to a great extent in Kaliningrad Oblast, which also contains other items concerning not only Lithuania and Kaliningrad Oblast but also the whole of Russia.

The 16th article should appease some aprehensions by some of our forces or politicians by clearly stating that the treaty is bilateral and does not affect the relations of the high contracting parties with third countries. Thus, the fact that the Russian Federation belongs to or will belong to some other union does not create any implications for the partner in this treaty—Lithuania.

I already mentioned the authorized representations—this is stated in the 19th article. The last, the 20th article, envisages [that] the treaty is to be ratified and that the exchange of ratification documents will take place in Vilnius. Of course, the date is not fixed. An agreement will be reached when the ratification procedures will take place. Then the treaty will become a complete law. This is important and necessary, because we saw from articles four and five that this treaty extends our citizenship law. Thus, the signatures of the leaders of both countries will not be legally valid to expand this law; ratification by the Supreme Council will be necessary.

The statement in the 20th article is very important—that the treaty is concluded for ten years, with the exception of the first article in the treaty. Its validity is without limits. This is similar to the 1920 treaty, when Lithuania's independence was recognized for all time.

I would like to say a few words about the agreement on Kaliningrad Oblast. [passage omitted] The agreement has 14 articles. The first article states that the parties recognize the integrity of the present borders. [passage omitted] I think that the integrity of borders stressed in this article will help in the near future to eliminate any apprehensions of intimidations that we have heard from the Soviet Union's leadership regarding Klaipeda and the Klaipeda region. [passage omitted]

We also accepted for information a protocol explanation by the Russian delegation that the eighth article in the agreement on Kaliningrad Oblast does not concern the functioning of the Soviet Union's Armed Forces, so that the military can rest assured that we are not going to destroy the Soviet Union's defense system in Kaliningrad Oblast or, in general, by some unilateral actions. [passage omitted]

Summary of Landsbergis' Comments

OW3107045791 Moscow BALTFAX in English 1700 GMT 30 Jul 91

[Following item transmitted via KYODO]

[Text] Speaking about the conclusion of the agreement with the Russian Federation on Lithuanian radio today (July 30), Chairman of the Lithuanian Supreme Soviet, Vytautas Landsbergis, said that having recognized the priority of the international law and the role of honesty in politics—in deed, not in word, Russia had joined the ranks of the democratic powers.

The leader of the Lithuanian Parliament described the agreement signed on Monday, as a "very clear and comprehensive document which leaves no place for ambiguity and queries."

Vytautas Landsbergis noted that the decision to draft agreements between the Baltic republics and Russia had been taken a year before, on July 27, in Jurmala, at the meeting between the leaders of the Latvian, Lithuanian and Estonian Parliaments and Chairman of the Russian Federation's Supreme Soviet, Boris Yeltsin.

Stankevicius on Treaty With Russia

OW3107093691 Moscow BALTFAX in English 1700 GMT 30 Jul 91

["Ceslovas Stankevicius on the Lithuanian-Russian Treaty"—BALTFAX headline; following item transmitted via KYODO]

[Text] On July 30, Vytautas Landsbergis submitted the treaty between Lithuania and Russia, signed on July 29 in Moscow, for ratification in Lithuania's Supreme Soviet. It has not been decided yet, when ratification will take place.

Vice-Chairman of the Supreme Soviet of Lithuania, Ceslovas Stankevicius who had drafted the treaty since last year as the leader of the Lithuanian working group, spoke at the Lithuanian Parliament's morning briefing. He said that a great deal of work had been done and that it would only be completed after the document is ratified by the Parliaments of both republics.

"I can't say I'm satisfied with all the provisions of the document," he noted. He also said that agreement on every wording had been reached in an intensive search for mutually-acceptable variants.

Ceslovas Stankevicius said at the briefing, and Vytautas Landsbergis stressed in the Supreme Soviet that both sides recognized each other as full-fledged subjects of the international law and as sovereign states, and that they were guided by the Declaration of Independence of Lithuania and the Declaration of Independence of the Russian Federation, adopted on March 11, 1990 and June 12, 1990, respectively. The Lithuanian leaders also underscored the importance of the preamble which says that "the removal by the Soviet Union of the consequences of the annexation which was carried out in 1940 and which damaged Lithuania's sovereignty, will build up trust" between Lithuania and the Russian Federation.

Ceslovas Stankevicius said that the treaty had solved all of the key problems between Lithuania and the Russian Federation. The presence of Soviet troops in Lithuania and control over Lithuania's western bodies had not been considered because they were not within the Russian Federation's competence. Many problems will be tackled in individual agreements. For instance, a separate agreement will specify the border between Lithuania and the Russian Federation (the border with the Kaliningrad region).

Kaliningrad Leader on Russian Treaty

LD3007170791 Vilnius Radio Vilnius Network in Russian 1200 GMT 30 Jul 91

[Excerpts] As you know, an agreement was also signed in Moscow on Kaliningrad Oblast. Today we spoke by telephone with a direct participant in the protocol in question, Yuriy Semenov, chairman of the Kaliningrad Oblast Soviet of People's Deputies.

[Begin Semenov recording] I think that we had a reciprocal interest in this document—both residents of Kaliningrad Oblast of the Russian Federation and also the Lithuanian side—for there are many traditional and historical threads, both economic and cultural links, long-lasting human links, which have existed between residents of our oblast and the neighboring Republic of Lithuania. Apart from that, you know, the economy of our oblast was oriented toward reciprocal deliveries with Lithuania, so to a large extent we are dependent. We also depend on cooperation with enterprises, organizations, and business people of the Republic of Lithuania. [passage omitted]

I must say that for about a year we have been engaged in a lengthy search for approaches to the agreement which was concluded yesterday and signed at the level of the prime minister of our republic and of the Republic of Lithuania, on Kaliningrad Oblast. [end recording]

Republic Parliament Recognizes Croatia, Slovenia

LD3007155691 Vilnius Radio Vilnius Network in Russian 1200 GMT 30 Jul 91

[Text] At its morning [session] today the Lithuanian Parliament adopted two resolutions which recognize the legitimate aspirations of the Croatian and Slovenian nations as an expression of their sovereign power. The Parliament instructed the government of Lithuania to establish links with the governments of Slovenia and Croatia and study the possibility of establishing permanent diplomatic and other links between Lithuania and those republics. Both resolutions are based on the commonly recognized right of nations to self- determination, respectively enacted by plebiscites of the Croatian and Slovenian republics of 11 May 1991 and 23 December 1990, and also the declarations of independence which the Parliaments of the two republics passed on 25 June 1991.

In adopting the resolutions, the Parliament of Lithuania paid attention to the letter from President Tudjman of the Republic of Croatia to Landsbergis, Chairman of the Supreme Council of Lithuania, which expresses a request to support the aspirations of Croatia for independence, and also the address of the president of the Republic of Slovenia, Milan Kucan, to all countries and international organizations, requesting recognition of Slovenia as an independent state.

More on Croatian, Slovenian Recognition

OW3107093791 Moscow INTERFAX in English 1900 GMT 30 Jul 91

[Following item transmitted via KYODO]

[Text] Lithuanian Parliament adopted two resolutions on July 30 in which it recognizes the legitimacy of Croatians' and Slovenes' drive for independence. The documents emphasize that the legitimacy of the desire of the two republics to form independent states is supported by the results of referendums on May 11, 1991, in Croatia and on December 23, 1990, in Slovenia, as well as by the declarations of independence adopted by the Parliaments of both republics on June 25 this year.

The Supreme Council of Lithuania requested that the government of the republic communicate with the governments of Croatia and Slovenia so as to look into the feasibility of establishing diplomatic and other relations between Lithuania and each of the two republics.

Lithuania's Parliament made this move in response to a letter by the president of the Republic of Croatia, Mr. F. Tudjman, to the chairman of Lithuania's Parliament, Mr. Vytautas Landsbergis, urging support for Croatia's

drive for independence, as well as the appeal by the Slovene President Mr. M. Kuchan calling on all countries and international organisations to recognize Slovenia as an independent state.

Prime Minister 'Guarantees' No Dismissals

LD3107041891 Vilnius Radio Vilnius in English 2130 GMT 30 Jul 91

[Text] Prime Minister Gediminas Vagnorius postponed another attempt to [word indistinct] the interior minister till the next session. Today he took part in the Interior Ministry college session chaired by Marijonas Misiukonis, who is the acting interior minister.

The session was mostly concerned with the increase in crime in the republic and with completing the reform of the Ministry of the Internal Affairs.

Lithuanian Television quotes Gediminas Vagnorius as saying that he guarantees that no staffer in this or any other ministry will be dismissed on political grounds.

Supreme Council Adopts Law on Agriculture

LD3107043591 Vilnius Radio Vilnius Network in Lithuanian 1900 GMT 30 Jul 91

[Text] The Supreme Council has adopted the Lithuanian Republic Law on Privatization of Agricultural Enterprise Property and also a resolution governing the enforcement of this law.

A law has been adopted governing the amendment of Paragraph 26 of the Provisional Basic Law of the Republic of Lithuania.

It is noted there, among other things, that education within state higher educational and highest level educational institutions also is extended to Lithuanian citizens without cost, with the exception of instances specified by the law.

The Supreme Council has defined the edited version of Paragraph 17 of the Lithuanian Republic Education Law concerning the statute on religion. It notes that religion is being taught in state schools, at the parents' request, by individuals authorized by the ecclesiastic authority.

Republic Provisional Defense Leadership Detailed

LD3007225391 Vilnius Radio Vilnius International Service in Lithuanian 2100 GMT 30 Jul 91

[Excerpt] [passage omitted] The Lithuanian Parliament plans to discuss and ratify the agreement on the basis of inter-state relations in September, following the summer recess.

On the last day of the session, now concluded, the Parliament worked in a productive manner and ended its deliberations on practically all the laws that had been slated for adoption, including the law regarding the authorization of the provisional defense leadership.

The provisional defense leadership, headed by Parliament Chairman Vytautas Landsbergis, has the authority to adopt the necessary urgent decisions, mandatory for all executive power institutions, that are vital to the state's defense, in the event of an emergency.

Decisions by the provisional defense leadership must not limit the constitutional rights and freedoms of citizens.

The Supreme Council has the authority to suspend or annul any of the decisions adopted by the provisional defense leadership.

As we are already aware, the provisional defense leadership was formed following the unsuccessful putsch by the partocracy in January, and, in essence, is [words indistinct] power in case of a new threat.

Commission on Military Service Findings Reported

OW3107080991 Moscow INTERFAX in English 1900 GMT 30 Jul 91

[Following item transmitted via KYODO]

[Text] Beginning from March 11, 1990, which Lithuania declared its independence, military tribunals have tried and convicted 35 Lithuanian young men. These data, carried by an independent newspaper named "RESPUBLIKA" on July 30, have been disclosed by the parliamentary commission on military service. Most of those convicted were charged with "going AWOL", with some having been sentenced to between 1 and 4 years in jail and others found guilty of hooliganism and theft.

Commission members believe that 35 convictions is not all that much given the fact that some 1,500 men have deserted from the armed forces and returned to Lithuania since March 11, 1991. The commission is undertaking efforts to have their punishments dropped or reduced. There has already been a precedent of a military tribunal meeting for a second time to reconsider a case. A number of sentences have been overruled.

The information about 35 convictions has been confirmed by the head of the political section of the Lithuania's recruitment centre, Mr. Konstantin Golubev.

Report Details 'Pre-perestroyka' Radio Jamming

LD3007191191 Vilnius Radio Vilnius in English 2130 GMT 28 Jul 91

[Excerpts] Next comes a report by Zigi Tezhilonias, where he focuses on radio jamming in Lithuania in the pre-perestroyka era. The jamming of foreign radio stations in the Soviet Union and Lithuania was officially discontinued on 13 November 1988. As of then, listening to shortwave radio became a peculiar occupation in the sense that everything came out loud and clear without any interference. The most amazing thing was that it became possible to tune into Radio Liberty, Radio Free Europe, All-Israel, and other interesting stations on all the bands and a great many frequencies without a single problem.

True, there were some hitches, but they mostly stemmed from the jammers based in the Arab countries, the effect of which was not notable in Lithuania.

In the cold war era the Soviet Union had actually coined a special term to denote its jamming activities—jamming was known officially as radio defense. According to data released by Western experts, this so-called radio defense cost Soviet taxpayers the sum of one billion rubles each year.

Now let's take a look at the radio defense system that existed in Lithuania in (?the past) and try to understand how it functioned. There were five jamming stations in Lithuania situated in the major cities of Vilnius, Kaunas, Klaipeda, Siauliai, and (?Padovinis). Each station was equipped with about 10-15 shortwave transmitters, the majority of which had an output power of five kilowatts. The transmitters were of the KV5 or VYAZ trademark type. Some of the transmitters, however, are known to have had an output power of one kilowatt. Horizontal or vertical dipoles were most often used. Their power capacity was up to or within a 30 km radius. In other words, only local jamming stations which used ground wave were exploited for the so-called defense purposes in Lithuania. All of them had been set up to serve, according to the Soviet terminology, the needs of densely inhabited areas such as the cities and their suburbs. Meanwhile, the Soviet Union is known to have had a host of much more powerful jammers. They used ionospheric waves and were meant to serve large areas situated 2,000-3,000 km away. In Lithuania, each radio jamming station was manned by a 20-member staff.

As soon as jamming was officially ended in this country, part of the staff who were of retirement age were dismissed, while the remainder were given new jobs within the framework of the military or communications. In the spring of 1989, urgent steps were taken in Lithuania to dismantle all the jamming equipment and antennas in fear that the Soviets would for some reason back down on their previous decision and once again resume their jamming activities. As a result, within the shortest possible time not a single one of the total of three antenna towers were left in Vilnius. These days, in view of the fact that Soviet troops have seized both Lithuania's radio and television broadcasting stations in Vilnius, there are people who say that there was no reason to make such haste in the dismantling of the jammers, since their antenna towers could have been easily used for putting up an emergency TV transmitting antenna. But who could have foreseen such a turn of events back in 1989?

Not far from Vilnius, toward the northeast in the direction of the Lithuanian-Belorussian border, there is a small village by the name of (?Berzak). Driving past it in your car you can easily see eight antennas covering an area of approximately seven to 10 acres. The largest of them all, a truly impressive structure, is a 20-element twin Yagi-Russian BF two antenna, which is adapted for the shortwave band exclusively. In the era of jamming, this particular field of antennas and adjacent buildings was used by the reception center of the Ministry of Communications. The main purpose of this center was to receive and record the broadcasts of the main—even if jammed—foreign radio stations. All the texts of the monitored programs would be delivered the next day to highly placed officials in the central headquarters of the Communist Party, the Propaganda Department of the Council of Ministers, and so on. It was the 20-element twin Yagi antenna, which had a high plane and narrow main load, that was used for the reception or recording of jammed radio broadcasts.

It is of interest to note that this particular antenna was turned in the direction of the southwest, that is, in the direction from where all the radio signals came. Meanwhile, the Vilnius state jammers are all located in the northwest, and that is why the antenna was insensitive to any signals we transmitted. [passage omitted]

The Lithuanian DX Club has one of the receivers that was used by the reception center during the jamming era. If anybody would [like] to get more information about it, please write to Box 1646, Vilnius [word indistinct] Lithuania, or direct your queries to Radio Vilnius; but please mark Lithuanian DX Club on the corner.

Yeltsin Departyization Decree Reviewed

Yeltsin Rejects Postponement

PM3007201591 Moscow IZVESTIYA in Russian 31 Jul 91 Union Edition p 1

[RIA report: "RSFSR President Rejects Proposal"]

[Text] Having examined the appeal of the USSR Constitutional Oversight Committee to the RSFSR [Russian Soviet Federated Socialist Republic] president to postpone the implementation of the Decree "On Ending the Activity of the Organizational Structures of Political Parties and Mass Social Movements in RSFSR State Organs, Institutions, and Organizations," the office of the RSFSR state adviser on legal policy has been authorized to state the following:

"While respectful toward the activity of the USSR Constitutional Oversight Committee, the RSFSR president does not find any legal basis to change the timing of the implementation of the present decree. The decree will come into force 4 August 1991 in strict accordance with current Russian Federation legislation," RIA reported.

Justice Minister Assails Decree

LD3007132191 Moscow TASS in English 1147 GMT 30 Jul 91

[Text] Moscow July 30 TASS—The decree by President Boris Yeltsin banishing party cells from state institutions simply does not hold water, Soviet Justice Minister Sergey Lushchikov told the newspaper MOSKOVSKAYA PRAVDA on Tuesday. The decree does not specify which organisations come under its terms and the mechanism for its fulfillment.

"I think," the minister said, "that in such delicate matters one should not push through and play with convictions, let alone with the fates of dozens if not hundreds of thousands of people. New parties are emerging in the country and democratic processes are increasingly gaining ground in public associations. One should examine and forecast their development, modify legislation which regulates these processes."

"One should learn from life and take actions in line with the real situation, rather than tailor it to political ambitions," Lushchikov continued.

According to the minister, the situation should be studied by the Constitutional Compliance Committee, and the Soviet president should express his view on the matter. He must show that the decree is unconstitutional and violates human rights if enforced.

Russian Official Views Decree

LD3007111191 Moscow TASS in English 1057 GMT 30 Jul 91

[By Lyudmila Aleksandrova]

[Text] Moscow July 30 TASS—Boris Yeltsin's "departyisation" decree on the removal of party cells from Russian workplaces is sure to spur a fresh flare-up of the "war of laws" between the Russian Republic and the Centre.

Under the decree, all party committees should be removed from the premises of state organisations in the Russian Federation. The measure primarily affects Communist party cells built on territorial and production principles. Other parties are yet too weak to possess a ramified network of primary organisations at workplaces.

The leadership of the Communist party of the USSR and the Russian Federation described the Russian authorities' decision as unconstitutional and directed at curtailing civil rights and liberties.

Mikhail Gorbachev, who is the national president as well as the Communist party chief, apparently seeks to avoid confrontation on this issue with the first democratically elected Russian president. Addressing a plenary meeting of the party Central Committee last week, Gorbachev called on party leaders "not to give in to panic" no matter "what course developments might take."

The USSR parliament suggested the Committee for Constitutional Compliance to assess the Russian president's decree. The committee called on Yeltsin to suspend the decree for the period the issue will be under consideration at the committee.

The Russian authorities, as all signs indicate, are not going to revoke their decision. The Russian Government made a special clarification on the decree, stating that it "fully corresponds to constitutional norms and laws of the USSR and the Russian Federation concerning political rights of citizens and the international covenant on civil and political rights."

"Even if the USSR Committee for Constitutional Compliance rules that the de-partyisation decree is unconstitutional, it will still be put into life," said Aleksandr Katenkov, secretary of the Russian Supreme Soviet Committee for Legislation.

In an interview with TASS he described the "attempt to declare this decree unconstitutional or suspend its operation" as "interference in the activity of republican state bodies."

"I don't think that the USSR Committee for Constitutional Compliance will be so bold as to declare the decree anti-constitutional," Katenkov pointed out.

Yeltsin told journalists yesterday that the calls to boycott the decree "provoke confrontation between the Centre and the republics, between the presidents of the country and Russia."

"The decree does not curtail civil rights and liberties, but it does curtail the monopoly of one party or, to be more precise, the partocracy," said the Russian president.

Yeltsin warned that if Gorbachev "only touches the decree, this may seriously disbalance our relations."

Reform Leaders Offer Support

OW3107093891 Moscow INTERFAX in English 1645 GMT 30 Jul 91

[Transmitted via KYODO]

[Text] After the Russian Federation's President Boris Yeltsin passed his departyization decree, the Council of the Movement for Democratic Reforms made a statement for the press.

"The Russian Federation President's Decree on the Termination of the Activity of Political Parties' and Mass Public Movements' Organizational Structures at State Bodies, Establishments and Organizations of the Russian Federation is a long-overdue document," it says. "We think that it corresponds to the constitutions of the USSR and of the Russian Federation and derives from the law of the USSR on Parties and Public Organizations. We support the decree and will be guided by it while drafting the documents of our movement's constituent congress in September, 1991. We believe, at the same time, that it should be supplemented with measures guaranteeing equal material and political conditions for all parties, as departyization continues, taking into account that today only the Communist party has a material base outside enterprises and organizations."

The statement was signed by members of the Council of the Movement for Democratic Reforms Aleksandr Yakovlev, Eduard Shevardnadze, Ivan Silayov, Aleksandr Rutskoy, Gavriil Popov, Nikolay Petrakov, Aleksandr Muzkantskiy, Ivan Laptev and Aleksandr Vladislavyev.

Yeltsin-Gorbachev Relations, Meeting Reported

Breakdown in Relations Denied

LD3007203691 Moscow Radio Rossii Network in Russian 1900 GMT 30 Jul 91

[Text] Many correspondents who telephoned us today wanted to know why Boris Yeltsin did not take part in the USSR delegation's talks with the U.S. President. Pavel Loshchanov, press secretary for Russia's president, stated that there was no need for this because the questions of interest to Yeltsin will be discussed during a personal meeting with President Bush. The press secretary also made it clear that within the last 24 hours, relations between the Russian and Union presidents have in no way deteriorated.

Meeting Reported

OW3107005991 Moscow INTERFAX in English 1400 GMT 30 Jul 91

[Transmitted via KYODO]

[Text] According to sources close to the Russian leadership, USSR President Mikhail Gorbachev met with Russian President Boris Yeltsin Monday. The meeting began at about 8 p.m. and ended at nearly 3 a.m. July 30. They discussed the remaining unsettled questions concerning a Union treaty and relations between the Russian Federation and the Center.

The same sources say Mikahil Gorbachev has accepted the Russian leadership's proposal to establish a one-tier tax system so that Russia could transfer a fixed percentage of its revenues to the Center. Now Russia sees no obstacles to the signing of the Union treaty.

Gorbachev Reportedly Accepts Yeltsin Proposal

LD3007124391 Moscow Radio Rossii Network in Russian 1229 GMT 30 Jul 91

[Text] It has been reported that a meeting took place yesterday between Gorbachev and Yeltsin, at which Article Nine of the Union treaty was finally agreed. As you already know, this is the article which rules on the system of taxation. As a result, the president of the Union accepted the version proposed by the Russian president.

Reportage on Republic Budget Reviewed

Official on 'Unlawful' Decision

LD3107055991 Moscow All-Union Radio Mayak Network in Russian 1900 GMT 30 Jul 91

[Text] Vladimir Isakov, chairman of the Soviet of the Russian Republic, has called unlawful the decision approving new indices for Russia's budget that was adopted today by the RSFSR [Russian Soviet Federated Socialist Republic] Supreme Soviet Presidium. Speaking at a news conference, he recalled that in the first half-year period of the current year the budget deficit was almost twice as high as the amount planned for the year. The total lack of funds in the budget for the fulfillment of laws and socioeconomic programs that have already been passed has approached 100 billion rubles. Despite this, new expensive programs are being announced and numerous decisions on exemption from taxes and other benefits are being adopted.

As Isakov noted, the RSFSR Supreme Soviet Presidium adopted the decision in which it changed the law of the Russian Federation on the state budget system of the RSFSR while being in quorum. As chairman of the Chamber that is responsible for social and economic policy, Isakov lodged a protest in connection with the gross violation of the rights of the Soviet of the Republic and of the RSFSR Supreme Soviet.

Presidium Approves New Budget

OW3107060291 Moscow INTERFAX in English 1400 GMT 30 Jul 91

[Transmitted via KYODO]

[Text] On Tuesday the Presidium of the Russian Supreme Soviet approved a budget for the 3rd quarter of this year presented by the republic's Council of Minister. It has established the maxium sum of expenditures of 46,642,532,000 rubles while the budget deficit amounts to 10,450,000 rubles.

The Presidium has endorsed a program of structural changes in the Russian Council of Ministers' apparatus, proposed by Premier Ivan Silayev. The program envisages the transformation of the Economics State Committee into the Russian Economic Ministry, as well as the creation of 5 new state committees (due to mergers of some of the ministries): the committes on licenses, on farmers' affairs, on youth affairs, on radiation security and on strategic rsources of Russia.

Isakov Criticizes Presidium

OW3107092091 Moscow INTERFAX in English 1830 GMT 30 Jul 91

[Transmitted via KYODO]

[Text] The Chairman of the Republic's Council in the RSFSR Supreme Soviet Vladimir Isakov has launched a protest against the Soviet's Presidium deciding in the absence of a quorum July 30 to change the Federation's law on the budget by introducing new budget guidelines.

"This is a direct breach of some clauses of the RSFSR Constitution under which the budget is prepared by the Council of Ministers, presented by the President, and adopted by the Supreme Soviet of the Federation", declared Vladimir Isakov to journalists, Tuesday.

He pointed out that the draft new budget was presented by Prime Minister Ivan Silayev instead of the President.

He stressed that in the first six months of this year the budget deficit has twice exceeded the planned annual level, and the revenue is only 36 percent of the plan. "In spite of that", went on V. Isakov, "new expensive programmes are being announced, many new tax allowances or exemptions. All that, including multi-billion budget allocations, is passed without recourse to the Federation's Supreme Soviet", he warned.

Republic Supreme Soviet Debates Bills

LD3007215791

[Editorial Report] Moscow Russian Television Network in Russian at 1545 GMT on 30 July carries a 13-minute report by Igor Zbronzhko on today's sitting of the Russian Soviet Federated Socialist Republic Supreme Soviet Presidium. The agenda included preparations for the next session, the fourth session. The results of the recent Congress were debated. A commission is to be set up to improve the work of the Supreme Soviet during the next session.

Bills on criminal investigations, shareholding associations, welfare provisions for those who live in the extreme north, and the customs service featured today. According to Mikhail Lukich Zakharov, Social Policy Committee Chairman, 15 million people live and work in conditions in the extreme north and welfare provisions for them are of great importance. Another bill that figured today centered on labor protection, to insure that labor conditions create a proper and fit environment in which to work. Another bill concerned a new labor code; the autumn session will have to endorse various changes, such as, for instance, a 40 hour working week. The minimum leave will be no less than 24 working days. Sickness benefit minimum will also have to be defined. We must use our unused resources to effect these changes: Spending on military matters will have to really be cut.

A.A. Aslakhanov, Chairman of the Law and Order Committee, says that the Supreme Soviet has at its disposal a great deal of information about existing customs irregularities and that the expediency of setting up Russian customs has to be looked into in view of the fact that in the United States, for instance, one-third of the budget income comes from the customs. In the future he will not be surprised if all republics have their own customs. The Presidium will next sit on 2 September, he says. It is planned to hold the fourth session between 19 September and 20 December and to deal with 40 to 45 bills during that period, Aslakhanov concludes.

Yeltsin Appoints Sergeyev to Council of Ministers

OW3107083891 Moscow INTERFAX in English 1645 GMT 30 Jul 91

[Transmitted via KYODO]

[Text] President of the Russian Federation, Boris Yeltsin, has passed a decree establishing the post of the official representative of the Chairman of the republic's Council of Ministers, Valentin Sergeyev, who was in charge of the press service of the Russian Federation's government, has been appointed to this post. He will have the rank of a minister.

Stankevich Appointed Presidential Advisor

OW3107084291 Moscow INTERFAX in English 1400 GMT 30 Jul 91

[Transmitted via KYODO]

[Text] IF's [INTERFAX's] parliamentary correspondent reports Sergei Stankevich has been appointed as adviser to the Russian President for relations with public organizations.

Party Leader Interviewed on Plenum

OW2907101091 Moscow INTERFAX in English 0930 GMT 26 Jul 91

[Transmitted via KYODO]

[Text] The leader of the Russian Communist Party Ivan Polozkov has said in an interview with IF's [INTERFAX] Vyacheslav Terekhov that in his opinion the plenum "takes place in a constructive spirit that is proved by the serious discussion of the party program which should become a consolidating document."

"This does not mean, however," Polozkov stressed, "that party life is fine and smooth. There is a stiff struggle now under way which reflects the current state of society. But, the light at the end of the tunnel is beginning to shine, I mean the beginning of the dissociation which everyone speaks of so much nowadays."

The leader of Russian Communists said that at the moment there are Marxist fundamentalists and extremists in the party who call themselves reformers and democrats. Both groups consider themselves Communists.

"But, there can be only one Communist party," Polozkov said. He described himself as a realist.

"I have always thought that both right-wing and left-wing extremism should be avoided. Those who are leading us in the left or right today should clearly realize that accidents happen on abrupt turns of the road. Our country has experienced plenty of accidents. The people have suffered enough."

According to Polozkov, the attempts of some Communists to change the name of the party are "a manifestation of hypocrisy aimed at concealing their true aims."

Belorussia

Trade Unions Express Concern Over Yeltsin Decree

LD3007203391 Minsk Radio Minsk Network in Belorussian 0300 GMT 30 Jul 91

[Text] The presidium of the Council of Belorussian Trade Unions Federation has expressed in a statement its serious concern that the Russian Soviet Federated Socialist Republic [RSFSR] president's decree on stopping the activity of the organizational structures of political parties and mass public movements in state bodies, establishments, and organizations in the RSFSR essentially limits the rights of trade unions and their freedom and independence. The activity of trade union committees depends on the consent of the administration. Such a position is against the USSR law on trade unions, the rights and guarantees of their activity, and against the conventions of the International Labor Organization. Expressing their solidarity with the trade unions of Russia and concern for the limitation of the rights of trade unions—some of the most important human freedoms—the Council of the Belorussian Trade Unions Federation addresses the president of the RSFSR, the statesman who has recently received a prize from the U.S. trade unions for supporting democracy, with an appeal to reconsider the corresponding positions of the decree.

Supreme Soviet Appeal on Chernobyl Noted

LD3007001991 Minsk ZVYAZDA in Belorussian 18 Jul 91 p 1

["Appeal by Belorussian Soviet Socialist Republic Supreme Soviet to the European Parliament"—ZVYAZDA headline]

[Text] The world community marked the fifth anniversary of the Chernobyl tragedy by solidarity common to all mankind with the victims of the nuclear catastrophe, the biggest in the history of world civilization, and by fundamental reassessment of its lessons. The world only now comes to realize in full the global and regional problems brought about by the Chernobyl catastrophe, the character of its unprecedented results which is hard to analyze, the postponed affects for the health of millions of inhabitants of the affected areas of Belorussia, the Ukraine, and the western parts of the Russian Federation.

The Belorussian SSR was affected most of all, which has been recorded, in particular, in UN General Assembly Resolution No. 45/19 of 21 December 1990 which was accepted on the basis of consensus. This fact was also widely stated at the international scientific conference on radio-biological consequences of the Chernobyl breakdown, which took place on 21-24 May 1991 in Geneva at the headquarters of the International Atomic Energy Agency.

Belorussia received 70 percent of long-living isotopes. They have contaminated about 20 percent of all the agricultural land and forests—a quarter of all the republic. Over 2.2 million people live in the contaminated territory—every fifth inhabitant of the republic or half of those affected by Chernobyl in Belorussia, the Ukraine, and Russia.

The estimate remains uncertain on the harm caused to the health of the population as a result of the "iodine strike" and activity of other short-living isotopes in the first several days after the accident. They were not recorded. Despite the difference in evaluation of radiological consequences and protective measures, the international Chernobyl project has established that the complex effect of various unfavorable factors has led to the registered increase in illnesses of the population of the affected areas of the republic. The international consultative commi.tee recommends that energetic measures be initiated with the object of increasing the quality of medical service, radical improvements in the provision of medicines, diagnostic and examination equipment, and materials.

Appraising the real situation, the Supreme Soviet of the Belorussian SSR appeals to the European Parliament to provide additional special financial, technical, and other help, direct or through another agreed mechanism, for solving the post-Chernobyl problems in our republic.

The Supreme Soviet of the Belorussian SSR also joins the address by the USSR president to the governments of all countries and the international community and the address by the UN secretary general to all the international community in connection with the fifth anniversary of the accident at the Chernobyl nuclear power station. We hope that the Belorussian people will not be left without attention and will be granted all the necessary help which it presently needs.

The help granted as a charitable act from the international community will be dutifully appreciated by our people and will also be an example of international cooperation in overcoming global catastrophes.

Adopted by the Supreme Soviet of the Belorussian SSR on 27 June 1991.

Belorussian Law on Leasing

914A0639A For this law published in the 28 December 1990 SELSKAYA GAZETA, see the JPRS Report Soviet Union: Economic Affairs, JPRS-UEA-91-024, dated 17 May 1991, pages 24-35.

Ukraine

Commentator Previews Significance of Bush Visit

LD3007140991 Kiev Radio Kiev International Service in Ukrainian 1900 GMT 29 Jul 91

[Viktor Moroz commentary]

[Excerpt] [Passage omitted] I for one think that the list of priorities drawn by the U.S. Administration for President Bush to deal with in Moscow, namely arms control, has dropped down to second or maybe third place. What matter most now are political, economic, and financial questions.

Judging by his latest statements, George Bush was very pleased to receive cables from Moscow that Mikhail Gorbachev had succeeded in drawing the most optimal variant of the Union treaty and that this variant is reported, to a grater or lesser degree, by the leaders of nine republics, although the words he used sound rather cautious.

The U.S. leader, most likely, was well aware that until now a strong number of problems has not been solved in the setup of the future union, especially the problem of taxes. The center strongly maintains that the tax system should have a provision for federal taxes. This stance is supported by seven republics and there is no secret why since the two largest republics have to become the main providers. That is why the Ukraine and Russia, the providers, insist that there must be a rigid control of allocations for Union-wide programs.

In the Union leadership's view, these two republics want to keep the center on a very short leash and control all its actions. In other words they would run the show. Should Gorbachev and his team accept this formula?

Then our federation would immediately acquire the form of a confederation or even a commonwealth of republics. Naturally, the Union could exist without Russia and the Ukraine, but what kind of Union would that be?

As I see it, George Bush's visit will place certain emphasis on the U.S. Administration's position and maybe on a broader plane, including our Western partners on the problem of eventually financing economic reforms in the USSR. I am sure that neither Bush and Major nor even Mitterrand and Kohl, whose attitude to our reforms is more inclined and more interested, know exactly even today with whom to deal with to their advantage, with the center or with the republics?

Will George Bush sort it out during his visit here? I don't know. Personally, I am not even sure. Probably the West, having declared political and moral support to our reforms, will all the same expect that in the future we ourselves will solve our difficulties and in the end decide who with and how we are going to unite and on what conditions and principles. Only then will they decide whom to deal with in economic and financial matters.

Regardless of what happens, Bush's arrival in the Ukraine is a noteworthy and meaningful fact. This testifies to the fact that the international prestige of our republic is growing.

Media Briefed on Bush Itinerary

LD3007103291 Kiev Radio Kiev Network in Ukrainian 1900 GMT 29 Jul 91

[Text] The capital of the Ukraine awaits the arrival of U.S. President George Bush on 1 August. It is envisaged that he will have official talks with Kravchuk, Ukraine Soviet Socialist Republic [SSR] Supreme Soviet chairman, and [Ukraine] Prime Minister Fokin. Then he will address Ukraine people's deputies, members of the republic's cabinet and representatives of political parties and public organizations.

The esteemed guest also intends to get acquainted with Kiev, see its historical sites and place flowers at the monument to victims of fascism who perished in Babiy Yar. George Bush will leave Kiev the same day.

The U.S. President's itinerary in Kiev and how it will be covered by the mass information media was outlined today to journalists at the briefing held by the Ukraine SSR Supreme Soviet press center and the Information Department of the republic's Foreign Ministry.

Gurenko Assesses CPSU Central Committee Plenum

LD2907203491 Moscow TASS International Service in Russian 1709 GMT 29 Jul 91

[By UKRINFORM-TASS correspondent Aleksey Petrunya]

[Text] Kiev, 29 Jul (UKRINFORM-TASS)—"The plenum of the CPSU Central Committee, which was held in Moscow recently, was extremely constructive. Even those who would normally come out with bald criticism were this time making productive proposals," Stanislav Gurenko, member of the Politburo of the CPSU Central Committee, first secretary of the Central Committee of the Communist Party of the Ukraine, said, speaking at a news conference here today for Soviet and foreign journalists.

In Stanislav Gurenko's opinion, the fact that the Politburo, taking into consideration the difficult situation in the party, decided to table the draft program of the CPSU for debate by the plenum, testifies to the openness of the Politburo, and its desire to consult with the party on major political questions. "The hopes of some circles for a split in the party have not been confirmed. I believe that what is possible is not a split but a splitting-off from the party of some of its parts," he stressed.

Speaking of the decree by Boris Yeltsin, president of Russia, on departyization, Stanislav Gurenko said that in this event it is a question of an offensive on the Communist Party at state level.

Describing the changes in the Communist Party of the Ukraine, its leader announced that in the last few years the number of its members had fallen by half a million persons. "If we do not manage to stabilize the consumer market, this process may intensify," he said. At the same

time Stanislav Gurenko stressed that in the past year alone more people had been received into the ranks of the Communist Party of the republic than all the opposition parties number together.

President To Be Elected 1 December

LD3007160291 Moscow TASS in English 1551 GMT 30 Jul 91

[By UKRINFORM correspondent Alexey Petrunya]

[Text] Kiev July 30 TASS—The Ukrainian parliament today set the date for presidential elections to be held on December 1st, 1991.

A resolution to this effect adopted by the republican Supreme Soviet says that the Central Electoral Commission that organised the elections to the Ukrainian legislature will be in charge of the presidential poll.

The resolution says that a draft law on Ukrainian citizenship will be discussed before the end of this September.

Kravchuk Interviewed on Rukh, Presidency

LD2707024291 Kiev Radio Kiev International Service in Ukrainian 1900 GMT 25 Jul 91

[Interview with Ukrainian Supreme Soviet Chairman Leonid Kravchuk by correspondent Volodymyr Kartashevskyy in Kravchuk's office in Kiev; date not given—recorded]

[Excerpts] [Kartashevskyy] How do you regard Rukh [Ukraine People's Movement for Perestroyka] leaders today?

[Kravchuk] [passage omitted] Some of the leaders are still pushing Rukh into national seclusion. But I hope, and I believe that the organization has a sufficient amount of intellect, that it will return back to the road of general democratic principles, for the Ukrainian people will need Rukh. [passage omitted]

[Kartashevskyy] Did your dealings with Rukh shape you into a different politician? Did you seek a new road to embark upon? At that time you were a party leader.

[Kravchuk] Oh yes, I am still member of the CPSU, member of the Politburo, member of the Central Committee. [passage omitted] The party's program is for me a definitive factor. However, at present, the Communist Party of the Ukraine, just as the whole CPSU, doesn't have the unity that reigned in the past or that was pretenciously displayed as unity. Thus, in the party we have right and left wings and also the center.

[Kartashevskyy] What about you personally?

[Kravchuk] Personally? Well, we also have to take into account my post. When I enter the Supreme Soviet as its chairman, I cease to be secretary of the Central Committee and member of the Politburo. I become chairman of the Supreme Soviet. I see in front of me all sections of our population, all political forces of the republic. And if I show favor to one section and start squeezing another one, then I cease to be chairman of the Supreme Soviet, but act as member of some political group and govern myself by the interests of that group. No, I cannot allow myself something of this sort. [passage omitted] My post compels me to protect interests of the whole nation. I gather everything that's best that can be given by Communists, liberals, democrats, and other groups available in the Supreme Soviet.

[Kartashevskyy] Very often in the press gallery one can hear: Look, Kravchuk scores some extra points. This happens when you support the opposition. And when you support the Group 239, the observation sounds thus: Look, Kravchuk has returned to his own clan. Well, which side do you really support?

[Kravchuk] [passage omitted] I know they are saying that I run to and fro. Let them. I always support those who, to my mind, have a case.

[Kartashevskyy] Our listener in France asks: Does Kravchuk meet with deputies outside session hours? Has he got any friends among them?

[Kravchuk] I cannot say that among deputies there are those with whom I socialize on a family-to-family basis, but there are some, whom I meet regularly, they represent Lugansk, Donetsk, Lvov, and Rovno, which is my home town. We meet, talk, and plan together. We talk openly, frankly, in a way, that could not be repeated at the session. [passage omitted] In general, I respect all deputies, regardless whether they are from the opposition or the ruling party. [passage omitted]

[Kartashevskyy] In December we will have the first presidential elections. In a recent interview for the French MOND [as heard] you said: I expect to be elected president. In my view, you displayed too much self-assurance....

[Kravchuk, interrupting] A mistake was made by the interpreter. I could not express myself that way: I am going to be president or intend to be president. Replying to the question of whether I'll be running as a candidate, I said that in accordance with our laws everyone can advance his candidacy.

[Kartashevskyy] Are you going to run?

[Kravchuk] So far I haven't made a definite decision. I'm still thinking, listening to advice, checking public polls. I know that my rating is very high, if compared with other eventual candidates. At a proper time I will reveal my decision.

[Kartashevskyy] Let us suppose that you agree to run for president. At a certain time you feel that victory will be yours if you only leave the CPSU. Will you not emulate the example of your colleague, Boris Yeltsin, president of Russia?

[Kravchuk] No, this is not for me. I believe that each person has to behave in his own way. If I emulated that example, what would I achieve? I would become a replica of Yeltsin, a second Yeltsin. [passage omitted] I wouldn't like people to say about me: Poor man, he could not produce anything on his own, he just repeats what Yeltsin has done. All he wants is to be a Ukrainian Yeltsin. Maybe, I am inadequate, all the same, in the Ukraine I want to be Kravchuk and not Yeltsin. [passage omitted]

Republican Party Outlines Stance on Union Treaty

LD3007163391 Kiev Radio Kiev in English 0000 GMT 30 Jul 91

[Text] The Lvov organization of the Ukrainian Republic Party, largest regional organization of the Ukrainian Republican Party, at its regular conference elaborated the tactics in relation to a Union treaty. It has been decided to promote the creation of regional structures of the All Ukrainian Amalgamation of Workers' Solidarity. It is namely this organization that will play, according to the Ukrainian Republic Party, the main role in organizing actions of public disobedience, among them a general political strike, in case the Union treaty is signed by Ukraine.

Plyushch Views Building Sovereign State

LD3007170191 Kiev Radio Kiev International Service in Ukrainian 1900 GMT 29 Jul 91

[Excerpts] As you know, our Supreme Soviet has deferred the discussion of the Union treaty draft to the autumn, with an explanation that the treaty draft proposed by the center has to pass a scrupulous juridical and scientific examination. As our proverb says, first measure it ten times, and only then start cutting.

On the other hand, there is suspicion that the deferment was a deliberate attempt to indefinitely put off the conclusion of the treaty. [passage omitted] I asked this question of Ivan Plyushch, first deputy chairman of the Ukrainian Soviet Socialist Republic Supreme Soviet.

[Begin Plyushch recording] In my reckoning, the Supreme Soviet could not pass a different decision. On 17 March our people said that the Ukraine has to become a sovereign state first, and afterwards it can join a union of states.

Unfortunately, what treaty can we sign today if no mechanism has been constructed by us and the center on the acquisition of statehood by the Ukraine? Up until now, we have not arrived at a clear-cut definition of the notion on property—which property is owned by the Union and which by republics. You know that in August of last year we quickly adopted a law on the Ukraine's economic independence. Only a month ago we once again adopted a decision on the transfer, under the subordination of our Cabinet of Ministers, of all enterprises functioning on the republic's territory. This shows that a year has passed since the law on economic independence was adopted, but the center does not recognize this law. It accuses the Ukraine and its Supreme Soviet, our government, of waging a war of laws. Now who is at war? The center is. Because the declaration and the law on the economic independence of the Ukraine stipulated the supremacy of Ukrainian laws in economic matters over the Union ones. [passage omitted] Property can belong only to republics.

We must become a state; we must run our own economy; we must control our own territory; we must have our own customs service; we must have our own credit-financial system and our own currency. We must acquire all rights of an international subject. Only afterwards will we and other, similar states start working out a model containing some elements of federation—but in a majority of cases it will be a confederation, I think. [passage omitted]

I do not know why there is such a hurry. Today we are in the Union; we have concluded agreements with all 14 republics, which will have to operate on horizontal conditions in order to do without the center, without all those intermediaries.

Today our fate lies in our own hands. This is perhaps the last chance for the Ukrainian people to build its own state. Or are we going to be always busy explaining to others what we mean by the statehood of the Ukraine?

At all responsible stages of history there emerge the words which weld together, which consolidate, which bring closer all forces of society. It seems to me that today these words come from our great genius, the great son of the Ukrainian people, Taras Shevchenko, who called: Fight—and you will overcome! [passage omitted] We must impregnate these words with our soul, heart, skill, energy, and enthusiasm, with everything we can in order to build the sovereign Ukraine. [end recording]

Cabinet Resolution on Exports Discussed

LD2707033691 Kiev Radio Kiev Network in Ukrainian 1500 GMT 26 Jul 91

[Text] The Ukrainian Soviet Socialist Republic [SSR] Cabinet of Ministers adopted a resolution on the procedure for exporting public consumer goods outside the Ukraine SSR borders. It is noted that in the first half of July mass export of foodstuffs and manufactured goods in large quantities outside the republic's borders by citizens, enterprises, cooperatives, and other organizations increased considerably. All types of vehicles are employed in this. There were 528 incidents of illegal export of agricultural products just within the last 10 days. Such a state of affairs calls for taking drastic measures.

It is set that from 10 August 1991 the export of public consumer goods outside the republic's borders by enterprises, institutions and organizations, irrespective of forms of ownership and management, and by citizens

engaged in business be carried out in correspondence with established quotas and by licences that are issued by the Ukraine SSR ministries and departments which ensure supply of the stated goods or by oblast city executive committees. The fee, which goes into the republican or local budgets depending on the body that issued it, is fixed on the scale of 150 rubles for each licence. Enterprises and organizations which supply their products according to the state order and agreements between governments are exempted from this fee.

The list of public consumer goods in critically short supply, the export of which outside the republic's borders by citizens is temporarily prohibited, has been defined. These, in particular, are TV, radio, and photographic equipment; refigerators; washing and sewing machines; electrical domestic appliances; furniture; certain kinds of building materials; textiles, clothes, and footwear; and a number of foodstuffs. The norms for export outside the republic's borders of bread, flour, sausage products, butter, tea, coffee, sugar, alcoholic beverages, and tobacco products have been set.

The government obliged the Ukraine SSR ministries and departments, and enterprises and organizations which carry out transportation of national economic freight, not to give vehicles to export public consumer goods outside the republic's borders if there is no licence and also not to accept goods that are in critically short supply and foodstuffs in quantities exceeding the established norms which are prohibited for export from citizens for sending outside the republic's borders. The baggage and packages to be sent by mail outside the republic's borders are accepted from citizens unsealed. Measures of influence regarding violators of the established order of exporting public consumer goods outside the republic's borders have been set up. The resolution envisages creation of a unified system of bodies of control over the export of material values outside the borders of the republic, which is a part of the Ukraine SSR state inspection for control of export of material values, and corresponding state inspections, which are subordinate to it, in the Crimean Autonomous SSR, in oblasts, and in the cities of Kiev and Sevastopol. For the period of creation of state inspection, its functions are assigned to the Ukraine Ministry of Internal Affairs, the Ukraine SSR Ministry of Finance and its tax inspection, the Council of Ministers of the Crimean ASSR, oblast executive committees, and to the Kiev and Sevastopol city executive committees.

The republican government expresses confidence that the population of the Ukraine will understand the temporary extraordinary measures envisaged by this resolution which are directed in the first place at protecting its interests and designed for the period necessary for filling the consumer market with a sufficient quantity of foodstuffs and manufactured goods. At the same time the government declares that everything will be done to fulfill the republic's obligations on supplies of public consumer goods in accordance with agreements between governments. The resolution of the Ukraine SSR Cabinet of Ministers is published in the press in full.

Kiev Democratic Bloc, Rukh Protest Khmara Case

LD2607104191 Kiev Radio Kiev International Service in Ukrainian 2200 GMT 23 Jul 91

[Report by correspondent Mykola Marynenko]

[Text] [Announcer] The Stepan Khmara case is clearly political, the democratic bloc of the Kiev City Soviet of People's Deputies has stated. Here is a report by Mykola Marynenko, our special correspondent at the trial of Stepan Khmara.

[Marynenko] I will tell you about the democrats' statement itself somewhat later. Now I will briefly discuss the trial.

There were quite a few contradictions, discrepancies, and even lies, according to Vitaliy Vorobyov, one of the defendants, describing today's session. The Ukrainian Supreme Court proceeded to another legal point of the Khmara case—questioning witnesses. Among them were mostly current employees of the militia—witnesses to the 7 November events at October Revolution Square. The court was half empty again. Defendants Stepan Khmara, Leonid Berezanskyy, Oleg Batovkin, Mykola Holovach, and Mykhaylo Ratushnyy boycotted the court session again.

Meanwhile, as it became known, the democratic bloc of the Kiev City Soviet of People's Deputies made a statement after examining the charges in this case. It noted that the case has clearly political nature and the charges themself are far-fetched, biased, and groundless. Pressing for stopping the case immediately, releasing the defendants, and bringing Igor Grigoryev to account, the democratic bloc reserves the right, I quote, to call on electors for active protest against the court farce organized by communist and totalitarian forces, end quote.

As it turned out later, however, the statement by the democratic bloc of the Kiev soviet was not the only one today. A statement from the political council of the Ukrainian People's Movement for Perestroyka [RUKH] has just come in on the editorial computer. The subject is the same: The trial of People's Deputy Stepan Khmara. Particularly, it is noted that the forces that stole Stepan Khmara from his room in the Ukrayina hotel were inspired and were acting under the control of the center—the Soviet empire, it said. The goal of the center is to destabilize the situation in the Ukraine.

The following is also said regarding the actions of the Moscow center: The Supreme Soviet of the Ukraine postponed the discussion of the new Union treaty until autumn. The open disregard for Gorbachev's personal request that the Ukraine should immediately sign up for a new term in prison in the form of the proposed new Union treaty is the reason why the Khmara court has

constantly been violating current legislation, provoking Khmara to boycott the trial.

The Rukh political council statement also demanded that Stepan Khmara, along with all political prisoners in the Ukraine, be released. In addition, the political council stressed that, I quote, the trial of Khmara has turned into a farce typical of the imperial system, but the Soviet regime is getting close to its end. There is no doubt that the Ukrainian people together with other peoples of the Soviet empire will gain independence on the path to civilized democratic statehood, end quote. This was a statement by the Ukrainian people's movement for perestroyka regarding the trial of Peoples Deputy Stepan Khmara. The court session continues.

Official Views Soviet Army Call-Up in Republic

LD3107055291 Moscow All-Union Radio Mayak Network in Russian 1900 GMT 30 Jul 91

[Text] The call-up to the ranks of the Soviet Army on the territory of Moldova henceforth must be implemented only in accordance with the republic's law, Colonel (?Kertuake), the general director of Moldova's state department for military affairs, stated at a news conference that took place in Kishinev today. As MOLDOVAPRES Agency reports, in the course of the news conference it became obvious that even though the position of the staff members of the state department for military affairs and of the republican military commissariat differ considerably, they are able to find a common language on questions of prinpciple. Thus, the problem of deserters will be resolved jointly. Only after this will the decision finally be made to return the refugees to their military unit or to order them, in accordance with the law adopted by Moldova's Parliament, to perform alternative service.

News Conference Discusses Issues

LD3007194191 Moscow TASS International Service in Russian 1141 GMT 30 Jul 91

[Text] Kishinev, 30 Jul (TASS)—A joint news conference held by officials of the state department for military issues of the Republic of Moldova and the republican military commissariat was devoted to the problems of conducting the draft to the Soviet Army. As MOLDOVA-PRES reports, in the course of the news conference it became obvious that although the positions of the officials of these two bodies differ considerably, they are capable of finding a common language on the fundamental issues.

"The Soviet Army draft on the territory of Moldova will in the future be conducted only in accordance with the laws of the republic," stated Colonel Nikolay Kirtoake, director general of the Moldova state department for military issues. "This has also been met with understanding by the leaders of the USSR Ministry of Defense which has recently allowed us to solve ourselves locally many problems connected with the draft. So far most of these problems are being solved—with the direct participation of the Moldova parliament and the department for military issues."

Thus, in the course of this year's spring draft 8,382 men were conscripted, 82 percent of the total number of conscripts. A little more than 1,000 of these have stayed to do their service on the territory of the republic, in accordance with the agreement reached; 4,000 more will stay close to home, in the Carpathian and Odessa Military Districts. Of these 8,000, only 65 youths have left the military units without taking the military oath. The whereabouts of 56 others is unknown. However, as was noted at the news conference, the problem of deserters will be jointly dealt with by the republican military commissariat and the department for military issues. Only after this will the final decision will be made—whether to return the "fugitive" to his military unit, send him to another one, or offer him alternative service, according to the law adopted by Moldova parliament. It is envisaged that in the very near future a gathering point for the runaways will be created in Kishinev where the deserters will stay while the reasons and circumstances which caused them to run away are being investigated.

Georgia

President Gamsakhurdia Receives Extra Power

LD3007154791 Moscow All-Union Radio Mayak Network in Russian 1500 GMT 30 Jul 91

[Text] The Supreme Soviet of Georgia has made amendments and additions to the republican Constitution, expanding the powers of its president. In particular, he is vested with the right to suspend the force of laws of autonomous republics and resolutions and instructions issued by their Supreme Soviets and Councils of Ministers, if they are at variance with the Constitution and laws of Georgia.

Legislature Outlines Position on Ties With Center

LD3007142191 Moscow TASS International Service in Russian 1302 GMT 30 Jul 91

[Text] Tbilisi, 30 Jul (TASS)—The Georgia Supreme Soviet sent a letter to the USSR Supreme Soviet replying to its address to the Supreme Soviets of the six republics which have refused to sign the new Union treaty. The SAKINFORM AGENCY reports that it expresses the position of the Georgian parliament on the principles of interstate relations with the USSR.

The letter speaks of the firm political, economic, and cultural links between Georgia and the USSR and voices the conviction that in the future these ties have to be built on a qualitatively new basis not just to preserve but to develop all that is valuable that has been created as a result of the many centuries' involvement of the peoples with each other. At the same time it expresses the conviction that this can only be achieved with a foundation of mutual respect for the sovereignty of each of the sides and that Georgian independence will only promote the development of these processes.

The letter notes that since Georgia declared the restoration of its state independence the republic's Supreme Soviet has proposed more than once to the USSR leadership that talks be started immediately on the resolution of all problems concerning relations between them. The Georgian parliament again confirmed its willingness to sit down at the negotiating table with the USSR leadership at any time and hopes that the USSR Supreme Soviet will display goodwill in the name of the freedom and prosperity of the peoples of Georgia and the USSR.

Head of Bureau of Local Administration Named

AU3007120391 Tbilisi SVOBODNAYA GRUZYIA in Russian 12 Jul 91 p 1

[Text] Decree of the president of the Republic of Georgia on the Appointment of I.Z. Baratashvili as Head of the Bureau of Local Administration of the Apparatus of the President of the Republic of Georgia:

To appoint Iosif Zurabovich Baratashvili as head of the bureau of local administration of the apparatus of the president of the Republic of Georgia.

[Signed] Zviad Gamsakhurdia, president of the Republic of Georgia

Tbilisi. 9 July 1991.

Treaty With Armenia To Expand Cooperation

OW3007044391 Moscow INTERFAX in English 0930 GMT 29 Jul 91

[Following item transmitted via KYODO]

[Text] The President of Georgia Zviad Gamaskhurdia and the Chairman of the Armenian Supreme Council Levon Ter-Petrosyan concluded an agreement on friendly relations between the two republics on last Saturday in Tbilisi.

The leaders of Georgia and Armenia said in the press-conference that the agreement would contribute to expansion of cooperation between the republics and to solving of many problems.

Speaking about his visit to Novo-Ogarevo Levon Ter-Petrosyan spoke out that it depended not upon him but upon the Armenian people whether Armenia would sign the Union Treaty. The referendum on that subject is scheduled on July, 21st [as received]. He appreciated very high a possible mission of Zviad Gamsakhurdia as a mediator in regulating the Armenian-Azerbaijan conflict. Levon Ter-Petrosyan also supposed that such a mission would be unnecessary so as there were the negotiations between the representatives of Nagorno-Karabakh and the Azerbaijan authorities in Baku.

Daily Interviews Oppositionist Chanturiya

PM3007094591 Moscow KOMSOMOLSKAYA PRAVDA in Russian 25 Jul 91 p 1

["Viewpoint" interview with Georgiy Chanturiya, chairman of the Georgian National Democratic Party, by S. Chernykh; date and place of interview not stated: "Georgia Is Not Just Gamsakhurdia"]

[Text] In Georgia today there are two oppositions—the one that is recognized by the official authorities and the one that is not. The first one is the parliamentary faction headed by Nodar Natadze, chairman of the People's Front, and the second one is the National Congress. Georgiy Chanturiya, chairman of the National Democratic Party of Georgia, occupies a special position. He is 32 and a former political prisoner. In 1989 he severed relations with Gamsakhurdia, thus splintering the forces opposed to the Communist Party. In 1990 he "hoped to steal a march" by organizing elections to the National Congress two weeks before the elections to the Supreme Soviet were to be held. According to the congress members, they gained 52 percent of the votes, but lost the fight nonetheless. KOMSOMOLSKAYA PRAVDA has

already published an interview with Comrade Gamsakhurdia. Today his political opponent has the opportunity to speak.

[Chernykh] It is well known that you and Gamsakhurdia have the same aim—an independent Georgia. Nevertheless, you have found yourselves on different sides of the barricades....

[Chanturiya] The Georgian opposition differs from the official authorities, so to speak, in that we want not just independence, but also democracy.

[Chernykh] Now that a new government has been formed in Georgia, a Declaration on Independence has been signed, and despite your forecasts, a president has been elected....

[Chanturiya] I was not mistaken in my forecasts! The elections were rigged. The leader of the president's press service was chosen to be chairman of the Electoral Commission. This fact shows how objective he was.

It is ridiculous to elect a president in an occupied and annexed country. You cannot draw parallels with Czechoslovakia or Poland here. Georgia is completely different. The National Congress is of very great significance in these conditions. It is the legal representation of the Democratic Republic of Georgia, which existed in 1918-1920.

[Chernykh] What is the status of the congress?

[Chanturiya] It is an unofficial organ elected by the people.

[Chernykh] Following the arrest of the leader of the "Mkhedrioni" armed formation, is there a danger posed by the 5,000 armed people who are not controlled by anybody?

[Chanturiya] These people are quite controllable and despite the repressions, they have not made an attempt at an armed uprising. There are far more criminal elements in the Georgian Supreme Soviet.

[Chernykh] In your opinion, are there any means of reconciliation?

[Chanturiya] I do not exclude such a possibility, but only on the condition that all political prisoners are freed, democratic structures are created, the mass media are demonopolized, and society is liberalized. If we see a desire for these things on the part of the Georgian official authorities, we will start talks.

[Chernykh] Regardless of your statements that sooner or later Gamsakhurdia will sign the Union treaty, a consistent policy of separation from the USSR is, in our view, continuing.

[Chanturiya] If we see for ourselves that Gamsakhurdia really wants independence, which I personally doubt, and if he satisfies our lawful requirements, then I will be able to rise above my personal pride. He must apologize on television and in the press for all the insults he circulated about us!

[Chernykh] But after all, you gave as good as you got....

[Chanturiya] We must not forget that he is the "official authority" and he should be the one to do this. If we see that he has dissolved the "Round Table," if Georgia makes a bid to become a rule-of-law state, then I repeat, I will find the strength in myself to rise above my antipathy.

[Chernykh] What is the point of granting Georgia the status of a colony—which you have repeatedly pressed for?

[Chanturiya] I still press for it. There is much more point in this than in granting bogus independence. Today Georgia is a colony of the Soviet empire and I believe that it would be far more sensible to place on record the real position.

[Chernykh] When he came to power Gamsakhurdia created a new government and a new Supreme Soviet. It is up to them to decide....

[Chanturiya] I do not agree with that! He did not create new structures, he just renamed the old ones. It is ridiculous to say that the KGB does not exist, because it does—under a new name. And this "independent" KGB, just like the guard, and the MVD [Ministry of Internal Affairs], exists on a subsidy from Moscow!

[Chernykh] But the Georgian KGB has declared its independence from the center....

[Chanturiya] You can declare whatever suits you best. I maintain that this is purely a Moscow structure, it is merely called a national one today. The old structures have not been touched, and the old people are still in their posts.

The People's Congress will do everything to ensure that Georgia becomes truly democratic. A growth of defeatist tendencies can now be observed among the Georgian intelligentsia. Some of the democratically-minded intellectuals are leaving Georgia. I do not condemn these people but I prefer to stay here to fight for Georgia to become a democratic and independent country.

[Chernykh] There is a danger of new conflicts today, this time in Abkhazia and Adzharia.

[Chanturiya] These conflicts can be avoided if the present leadership of the republic does not commit gross errors like those it committed before.

[Chernykh] There is a campaign going on in the republic aimed against the central press. This is seriously affecting the activity of correspondents and is preventing objective coverage of events....

[Chanturiya] I would just like to say one thing: The central press is very negative in its coverage of the

situation in Georgia. If we have friends in Russia, they should explain that the "Round Table" headed by Gamsakhurdia is not Georgia and the sins of this political organization should not be laid at the door of the whole republic. I repeat that there is no alternative to democracy in Georgia and these temporary profascist phenomena have no future.

Turkish Military Delegation Visits

AU3107091191 Tbilisi Radio Tbilisi Network in Russian 1427 GMT 30 Jul 91

[Text] In all likelihood, the command of the Transcaucasian Military District decided not to lag behind the spirit of the times and to establish direct contacts with foreign countries.

A military delegation of the Turkish Armed Forces, which is in the region on an official friendly visit, was received by the troops of the military district. The delegation was headed by Army General Hikmet (?Bayar), commander of the Third Field Army. This three-day visit was a return one following last year's trip to Turkey by Colonel General Valeriy Patrikeyev, commander of the Transcaucasian Military District. It is true, though, that, by contrast to direct contacts maintained by other departments, the military could not do without the permission from their high command and the center. The delegation of the country, which has common borders with Georgia, arrived in Tbilisi on a flight from Moscow. However, whatever one might say, this event is confirmation of the fact that, today, not only diplomats or businessmen, who have long broken the stereotypes of hostility and suspicion, but also the military have at long last started looking on the likely adversaries with interest and without prejudice.

The Turkish military delegation met with the command of the Transcaucasian Military District, visited military units, became familiar with the service and living conditions of the soldiers and officers, met with families of the servicemen, and was present at a tactical exercise.

During the delegation's stay in Tbilisi, its members were received by Akakiy Asatiani, chairman of the Supreme Council of the Republic of Georgia and by Tengiz Sigua, chairman of the Government of the Republic of Georgia.

Strasbourg Reassures Government Delegation

AU3007133191 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 20 Jul 91 p 1

[SAKINFORM report: "A Republic of Georgia Government Delegation in Strasbourg"]

[Text] On 9 July, a Georgian Government delegation composed of Batoni [Georgian polite form of address] Tengiz Sigua (head of the delegation), Batoni Merab Klimiashvili, and Batoni Gogi Top'adze traveled to Strasbourg at the invitation of the European Parliament. The aim of the visit was to give the European Parliament a real picture of the economic and political situation in Georgia and to outline paths of future cooperation between the European countries and Georgia. Mr. Christian Rovsing [as transliterated], who is responsible for the question of relations with Eastern European countries, and Mr. Richard West, the eminent scientist and public figure, and his wife, Mrs. West-Chop'ikashvili actively participated in the organization of the visit.

Immediately upon their arrival in Strasbourg, the Georgian delegation actively involved itself in the rhythm of the work of the European Parliament. They promptly succeeded in organizing meetings with several leading members and political factions of the European Parliament which undoubtedly had great importance for both sides regarding a clarification of the general situation. During these meetings, the results of unobjective "information" recently spread through different channels by the center and other forces hostilely disposed toward us were clearly felt. The objective, convincing, and exhaustive replies from the delegation's members to questions concerning interethnic conflicts, the internal political and economic situation, and future relations between Georgia and the center and foreign countries almost completely changed the attitude of the European Parliament toward our republic. Batoni Tengiz Sigua's view that the interethnic conflicts and the political and economic complications are being generated and coordinated by the well-known central competent organs according to a preplanned scenario evoked particular interest. At almost every meeting, when the subject under discussion was the path chosen by the Georgian people—the achievement of political and economic independence and, in connection with this, the support of the European Parliament—the question concerning the firmness of our decision and future relations with other republics was brought to the fore. Batoni Tengiz Sigua's reply to this question was always the same, namely, that the decision made by Georgia was irreversible. Regarding relations with other republics and with those states that could form the basis of the Soviet Union, he stated that they would definitely be established according to the principles of the development of economic and cultural relations and goodneighborliness and would be more sincere than had been the case previously.

The members of the European Parliament were interested to hear the views of our government delegation concerning future relations between the EC countries and the Republic of Georgia and our place in Europe. The members of the European Parliament reacted extremely positively to the sound evaluation given by the Republic of Georgia Government chairman of our situation and our potential and, proceeding from this, of our real determination to establish relations with Europe.

The Georgian delegation was received in Strasbourg by Enrique Baron Crespo, president of the European Parliament. The delegation discussed with the president questions concerning Georgia's political future, the

development of democratic structures, and European cooperation and a whole range of problems connected with Georgia's current situation. In his farewell statement, the president expressed satisfaction with our visit and assured us that the European Parliament would share our aims and help us in every way possible. He wished success to the Georgian people who had embarked upon the path of independence and democracy.

There were meetings with the group responsible for relations with Eastern Europe and also with various factions of the parliament, the head of the External Relations Department, and influential individual members of the European Parliament, all of which were conducted in a businesslike atmosphere.

The delegation met with Madame Simone Veil, the former president of the European Parliament, who continues to hold an important position. She had already been informed about the results of the meetings of the Georgian Government delegation in the European Parliament and expressed satisfaction with the fact that there would be a considerable improvement in relations with Georgia following such a businesslike and serious visit. Madame Veil who, incidentally, has direct experience with a totalitarian regime, sincerely expressed her own kind disposition toward our country and wished success to Georgia, which is struggling for independence.

On 10 July, Batoni Tengiz Sigua gave a speech at a session of the European Parliament's Democratic Group. This group is one of the important political forces in the European Parliament. It had previously received Vytautas Landsbergis, chairman of the Lithuanian Supreme Council, and, in March of this year, Boris Yeltsin, the current president of Russia.

Batoni Tengiz Sigua began his speech by expressing his thanks on behalf of the Georgian people for the humanitarian aid that the European states had sent to Georgia following the destruction it had suffered as a result of the earthquake. Then, he briefly described the complicated problems facing Georgia in its struggle for complete political and economic independence. His speech was received with great interest by those present and he was asked many questions.

Batoni Tengiz Sigua spoke in Georgian and his words were very warmly and favorably received. The members of the European Parliament reassured the delegation that the questions concerning cooperation with and assistance to Georgia would be discussed in the near future and there is every justification to believe that the decisions adopted will be in our favor.

Batoni Tengiz Sigua gave an interview to Danish radio.

A large number of influential members of the European Parliament expressed their wish to visit Georgia so that they could familiarize themselves on the spot with the situation that has taken shape and with our potential. In particular, Mr. Christian Rovsing, one of Europe's prominent businessmen, who is interested in developing economic cooperation with us, is planning to arrive in Georgia at the end of July.

Krasnodar Blocks Transit of Meskhet Turks

AU2907103091 Tbilisi Radio Tbilisi Network in Georgian 0700 GMT 29 Jul 91

[Text] Just a few days ago, Rafik Nishanov, chairman of the USSR Supreme Soviet Soviet of Nationalities, sent a letter to the Republic of Georgia's leaders requesting that the problem of the so-called Meskhet Turks be regulated.

It is surprising that the Republic of Georgia's leaders should be addressed by the person who was in charge in Uzbekistan at the time of the bloodshed in Fergana.

According to preliminary data, the so-called Meskhet Turks were expected to arrive on 28 July in the Sochi [word indistinct] zone from where, as last year, they intended to enter Georgian territory in August. During the last few days, in the village of Leselidze, in Gagra Rayon, on the border with Russia, the automobile inspectorate has been carrying out special checks on vehicles. The heads of the Abkhazian Ministry of Internal Affairs have had contacts with the Sochi militia department and with the Krasnodar Kray militia.

Representatives of the community of Gagra Rayon and Abkhazia gathered in Leselidze. A meeting was held at which the following people spoke: Republic of Georgia Supreme Council Deputies Nugzar Galoblishvili and Tamaz (?Nadareishvili); Major General Givi Lominadze, Abkhazian minister of internal affairs; the Abkhazian metropolitan [name indistinct]; and others. It was stated at the meeting that, on 22 July of this year, Krasnodar's leaders adopted a special resolution forbidding the Meskhet Turks from arriving in Krasnodar Kray and, specifically, in the Sochi zone. Givi Lomanidze (?stated) that the Ministry of Internal Affairs is in contact with Moscow, (?Baku), and Tashkent and, according to the information that has been received, as yet, no Meskhet Turks have arrived in Krasnodar Kray. It is quiet on the border but this does not mean that they will not be arriving in the future.

As we have been informed, today, 29 July, with the permission of the Moscow City Soviet, they are holding a meeting in Moscow to discuss future (?plans).

Armenia

Official Discusses Ties With Azerbaijan

OW3107092391 Moscow INTERFAX in English 1645 GMT 30 Jul 91

[Following item transmitted via KYODO]

[Text] Speaking at a meeting of the Armenian national Movement's (ANM) Council in Yerevan its Chairman

Vano Siradegian accused the Armenian opposition parties of hampering the development of economic and political relations of Armenia with other countries, including Turkey and Iran.

The ANM has a majority in Armenian parliament.

Mr. Siradegian believes "there is a possibility that a National Salvation Committee will be set up, perhaps, with participation of Communists and the KGB." (Obviously, he makes an analogy with the National Salvation Committees which appeared in the Baltics in January—IF) [INTERFAX]

Mr. Siradegian does not exclude the possibility of a civil war in Armenia.

Touching upon relations with Azerbaijan, he pointed out that after a referendum on Armenia's independence set for September 21, they are likely to improve because having determined its frontiers Armenia will not have reasons for confrontation with Baku. In his words, Nagorno-Karabakh will not be part of Armenia.

NKAO Solution Linked to Union Membership

NC3007134591 Yerevan Radio Yerevan International Service in Armenian 1830 GMT 29 Jul 91

[Text] The Nagorno-Karabakh Autonomous Oblast [NKAO] delegation, led by USSR People's Deputy Genrikh Pogosyan, held a series of contacts in July with Lukyanov, chairman of the USSR Supreme Soviet, USSR Defense Minister Yazov, and USSR Interior Minister Pugo. The contacts sought to resolve the NKAO problem, but have produced no results.

Reporting this, the progressive MOSKOVSKIY NOVOSTI paper notes that the center's representatives have made it clear the NKAO problem could be resolved only if Armenia stays within the USSR structure. The paper also has strongly criticized the USSR president's decree lifting the state of emergency in Shaumyanovskiy Rayon based on promises made by Azerbaijani President Mutalibov to stabilize the situation there.

Situation in Republic Villages Remains Tense

OW3107044991 Moscow INTERFAX in English 1200 GMT 30 Jul 91

[Following item transmitted via KYODO]

[Text] On Monday the President of the Armenian Defence Committee, Vagan Shirkhanyan, informed journalists at a briefing that the situation in the Shaumyanovskiy area of Azerbaijan remains tense. The villages of Manashid, Erkech and Buzlukh are still empty.

Vargan Shirkhanyan said that the Shaumyanovskiy area is soon to be visited by delegations of deputies of the Supreme Soviets of the USSR and of Russia and that in all likelihood negotiations with the Azerbaijani side would finally get under way.

In the course of the briefing Vargan Shirkhanyan noted that "the willingness of the Armenian side to enter into negotiations and political dialogue has met with no response whatever from the Azerbaijani side. If the acute situation in the Shaumyanovskiy area and in Nagorno-Karabakh continues to deteriorate it cannot be excluded that the Armenian government's next step will be to declare a general mobilisation," declared the President of the Defence Committee.

In his opinion Armenia need not fear an attack from Nakhichevan since the 75th division of the KGB is stationed on the frontier.

Young Armenians To Enlist for Republic's Defense

LD2907155291 Moscow All-Union Radio Mayak Network in Russian 1100 GMT 29 Jul 91

[Text] Here is a report from Yerevan: Young Armenians who are prepared to defend their native land and who have the necessary combat weapons are required to visit their rayon soviet enlistment points before 1800 on 29 July to register and to be given tasks. This address contained in a statement of the Armenian Council of Ministers' Defense Committee. The statement, broadcast on republican television, claims that for the last three years the USSR and Azerbaijan have been waging undeclared war against the Armenian people.

The republican authorities, the document stresses, are certain that it is now impossible to resolve the matter politically. The document requests that citizens whose state of health and family conditions do not allow them to take part in combat actions but who have weapons, to hand them in at enlistment points. The Defense Committee particularly needs signallers and sappers, the document says.

The Defense Committee was formed by the Armenian Government at the beginning of May to coordinate the activities of the republican organizations and subunits of the Soviet Army. As a TASS correspondent was told by Armenian People's Deputy (Shirkhanyan), the chairman of this department, the committee must become a body for organizing the defense of the republic.

Defense Official on Call-Up

LD3107063291 Moscow TASS International Service in Russian 1535 GMT 30 Jul 91

[By TASS correspondent Tigran Liloyan]

[Text] Yerevan, 30 Jul (TASS)—The statement by the Defense Committee of the Armenian Council of Ministers was not agreed to with the republic's leadership. This was announced by the department's chairman, Armenian People's Deputy Vagan Shirkhanyan, speaking at a briefing at the republic's Council of Ministers on Monday evening. It concerns the fact that on Saturday Armenian television carried a statement by the Defense Committee, which, in particular, contained an appeal "to Armenian youths who are ready to defend the